

# EXHIBIT

12

IN THE UNITED STATES DISTRICT COURT  
FOR THE DISTRICT OF NEW JERSEY

BANK of HOPE, as successor to )  
Wilshire Bank, )  
Plaintiff, ) Case No.  
vs. ) 2:14-cv-01770-JLL-JAD  
MIYE CHON, a/k/a Karen Chon, )  
SUK JOON RYU, a/k/a James S. )  
Ryu, TAE JONG KIM, )  
BERGENFIELD BAGEL & CAFÉ INC., )  
d/b/a Café Clair, MAYWOOD )  
BAGEL INC., UB'S PIZZA & BAGEL )  
INC., UB'S BAGEL & CAFÉ INC. )  
and UBK BAGELS CORP., d/b/a )  
Franklin Bagels & Café, )  
Defendants. )

-----)  
(Caption continued on next page.)

DEPOSITION OF BO-YOUNG LEE  
Newark, New Jersey  
Thursday, October 13, 2016

Reported by:  
FRANCIS X. FREDERICK, CSR, RPR, RMR  
JOB NO. 113794

SUK JOON RYU, a/k/a James S. Ryu, )

Counterclaim Plaintiff, )

v. )

BANK OF HOPE, as successor to Wilshire Bank, )

Counterclaim Defendants, )

SUK JOON RYU, a/k/a James S. Ryu, )

Third-Party-Counterclaim Plaintiff, )

v. )

KWON HO JUNG, JAE WHAN YOO, STEVEN S. KOH, and LISA PAI, )

Third-Party-Counterclaim Defendants, )

SUK JOON RYU, a/k/a James S. Ryu, )

Cross-Claim Plaintiff, )

v. )

MIYE CHON, a/k/a Karen Chon, TAE JONG KIM, BERGENFIELD )

BAGEL & CAFE INC., d/b/a Café )

Clair, MAYWOOD BAGEL INC., )

UB'S PIZZA & BAGEL INC., UB'S )

BAGEL & CAFE INC., and UBK )

BAGELS CORP., d/b/a Franklin )

Bagels & Café, )

Cross-Claim Defendants, )

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October 13, 2016  
10:04 a.m.

Deposition of BO-YOUNG LEE, held at One Gateway Center, Suite 2600, Newark, New Jersey, pursuant to Notice, before Francis X. Frederick, a Certified Shorthand Reporter, Registered Merit Reporter and Notary Public of the States of New York and New Jersey.

## APPEARANCES:

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Plaintiff-Third-Party-Counterclaim,

Plaintiff-Cross-Claim Plaintiff,

Suk Joon Ryu, a/k/a James S. Ryu

1880 John F. Kennedy Boulevard

Philadelphia, Pennsylvania 19103

BY: STEPHEN HARVEY, ESQ.

DAVID DZARA, ESQ.

B. LEE

BO - YOUNG LEE, called as a witness, having been duly sworn by a Notary Public, was examined and testified as follows:

EXAMINATION BY

MR. HARVEY:

Q. Good morning, Ms. Young. Will you please just tell us your name for the record.

A. Bo-Young Kay Lee.

Q. And that's Bo-Young and what's your last --

A. Kay is my middle name. And Lee is my last name. L-E-E.

Q. So it's Bo-Young Kay Lee?

A. Um-hum. You can call be Bo.

Q. Okay. Bo is okay?

A. Um-hum. Bo is fine.

Q. Okay, Bo. Where do you work today?

A. New Millennium Bank.

Q. What do you do at New Millennium Bank?

A. Controller.

Q. And how long have you been at New

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1 B. LEE  
2 Millennium Bank?  
3 A. Since March 1st.  
4 Q. And where did you work before New  
5 Millennium Bank?  
6 A. Wilshire.  
7 Q. And how long did you work for  
8 Wilshire Bank?  
9 A. Since the -- since they purchased  
10 the BankAsiana.  
11 Q. That was in 2013.  
12 A. Right. October 2013.  
13 Q. So you worked for Wilshire Bank  
14 from October 2013 until March of this year.  
15 A. February -- yeah, before I start  
16 on March 1st. So, you know, end of February.  
17 Q. I understand. And what was your  
18 job at Wilshire Bank during that time?  
19 A. In the beginning it was assistant  
20 to the regional manager. And home mortgage  
21 coordinator. And then sometime in May of 2014  
22 I was branch manager.  
23 Q. Which branch?  
24 A. East Fort Lee branch.  
25 Q. And you were in that job until you

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1 B. LEE  
2 left in March?  
3 A. Yes.  
4 Q. Prior to October of 2013 you  
5 worked for BankAsiana?  
6 A. Um-hum.  
7 Q. I'm sorry. You need to say yes  
8 because the court reporter --  
9 A. Yes.  
10 Q. Let me start by asking you, have  
11 you ever been deposed before?  
12 A. No. This is the first time.  
13 Q. Okay. So we're here -- let me  
14 just explain the process to you. We're here  
15 today to -- you have received a subpoena,  
16 correct?  
17 A. Yes.  
18 Q. And that subpoena required you to  
19 come here today.  
20 A. Yes.  
21 Q. And I am going to ask you a series  
22 of questions that are related to this lawsuit  
23 between Wilshire Bank, Mr. Ryu, and other  
24 people.  
25 A. Um-hum.

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1 B. LEE  
2 Q. And if you don't understand any of  
3 my questions or you don't hear any of my  
4 questions, will you please let me know.  
5 A. Okay.  
6 Q. If you need a break at any point,  
7 please let me know.  
8 A. Okay.  
9 Q. The objective here is to get  
10 truthful accurate testimony. So if at any  
11 point you don't understand what the question  
12 is or don't understand what's going on, just  
13 let me know and I'll rephrase the question.  
14 A. Okay.  
15 Q. Did you do anything to prepare for  
16 today's deposition?  
17 A. No. Not really.  
18 Q. Okay. Now, I was starting to ask  
19 you what you did prior to -- what was your job  
20 prior to October of 2013 when Wilshire Bank  
21 bought BankAsiana.  
22 A. I was controller at BankAsiana.  
23 Q. And how long were you in that  
24 position for?  
25 A. I started as assistant controller.

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1 B. LEE  
2 I don't remember exactly when I was promoted  
3 to controller position. But I was doing the  
4 same thing, you know, for the whole time,  
5 whole period that I was at BankAsiana.  
6 Q. And when did you start at  
7 BankAsiana?  
8 A. June of 2007.  
9 Q. Where was your office at  
10 BankAsiana?  
11 A. Palisades Park.  
12 Q. On the third floor?  
13 A. Yes. Third floor.  
14 Q. Who was your boss?  
15 A. Frank Gleason.  
16 Q. Did you report to Mr. Ryu?  
17 A. At one time, because I was doing  
18 the HR also, so he was the head of the HR.  
19 Q. So your job duties included Human  
20 Resources at some point while you were at  
21 BankAsiana?  
22 A. Yes.  
23 Q. For how long?  
24 A. For quite a bit of time. I don't  
25 remember exactly but I was involved with the

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1 B. LEE  
 2 payroll until -- for the whole period. But  
 3 the HR function, at one time somebody else was  
 4 performing that but I don't remember exactly.  
 5 But for most of the time period I was involved  
 6 with the HR and payroll to a degree.  
 7 Q. Do you know who Karen Chon is?  
 8 A. Yes.  
 9 Q. Were you in the HR function -- let  
 10 me withdraw that question.  
 11 Was she already employed by the  
 12 bank when you started working there?  
 13 A. No.  
 14 Q. So she was hired while you were at  
 15 the bank.  
 16 A. She was hired few months after I  
 17 think. The decision may have been made  
 18 already because I wasn't involved with the  
 19 hiring process but she started -- I don't  
 20 know -- a couple months after.  
 21 Q. Do you know anything about how she  
 22 was hired? Such as who hired her or how she  
 23 came to be hired by BankAsiana?  
 24 A. Not really.  
 25 Q. Do you know anything about that?

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1 B. LEE  
 2 Have you heard anything?  
 3 A. I heard one of the teller at the  
 4 time -- we used to call them personal  
 5 bankers -- they recommended her. That's what  
 6 I heard. But I wasn't involved with the  
 7 hiring process at all so I'm not sure.  
 8 Q. Okay. Now, during the time that  
 9 you were working at BankAsiana, did you ever  
 10 have any knowledge that anyone was embezzling  
 11 money from the bank?  
 12 A. No.  
 13 Q. Did you have any responsibility  
 14 for cash at the -- at any of the branches?  
 15 A. No.  
 16 Q. Did you ever see -- you know Mr.  
 17 Ryu, James Ryu? He's in the room with us  
 18 today.  
 19 A. Um-hum. Yes.  
 20 Q. Did you ever see Mr. Ryu alone in  
 21 a room with Karen Chon?  
 22 A. I don't think so. His office was  
 23 on the other side of the office so, you  
 24 know -- so I don't think so.  
 25 Q. So, to the best of your

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1 B. LEE  
 2 recollection, you never saw the two of them  
 3 alone together.  
 4 A. Not that I recall.  
 5 Q. That's fine. I was just trying to  
 6 understand.  
 7 A. Yeah.  
 8 Q. Now, what were your duties as  
 9 controller?  
 10 A. I was responsible for the general  
 11 ledger. Financial statements related to  
 12 reporting. All the financial reporting.  
 13 Accounts payable. So on.  
 14 Q. Was there any function at the bank  
 15 of audit or cash management such that somebody  
 16 was looking to make sure that employees  
 17 weren't stealing? Was there some -- let me  
 18 withdraw that and just say was there some  
 19 procedure at the bank to ensure that people  
 20 weren't stealing?  
 21 A. Yes. And we had -- internal audit  
 22 function was outsourced and we had a deposit  
 23 operations manager who were doing surprise  
 24 cash counts, you know, on a regular basis.  
 25 Q. Were you responsible -- did you

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1 B. LEE  
 2 manage that?  
 3 A. No.  
 4 Q. Okay. So that was somebody else  
 5 in the bank who was responsible for that.  
 6 A. Right. Right.  
 7 Q. Okay. Now, when did you first  
 8 learn that -- let me ask another question.  
 9 Were you friendly with Karen when you were at  
 10 the bank?  
 11 A. Yes. I liked her very much. She  
 12 was a very likable person.  
 13 Q. Did you ever do things with her  
 14 outside of work?  
 15 A. No.  
 16 Q. Did you ever have lunch with her?  
 17 A. I did have lunch with her.  
 18 Probably not alone but, you know, I -- because  
 19 I was doing the HR function and also it's a  
 20 small company. You know, sometimes we'll do  
 21 lunch between the employees. So I did have  
 22 lunch with her. I don't remember if I was  
 23 alone with her but it probably was with other  
 24 people also.  
 25 Q. Okay. So the bank employees had

1 B. LEE  
 2 lunch together as part of meetings at the  
 3 bank, periodically.  
 4 A. It could be meeting or it could  
 5 just be friendly get-together kind of things,  
 6 you know.  
 7 Q. I'm talking about a group of  
 8 employees having lunch together. You know,  
 9 not me just asking you -- not one employee  
 10 going out to lunch. But meetings where there  
 11 was lunch served.  
 12 A. Right.  
 13 Q. And that's where you had lunch  
 14 with Karen, in that setting?  
 15 A. Yes. It was all business-related  
 16 because I didn't have any personal  
 17 relationship with her outside of the work.  
 18 Q. I understand. So you may have had  
 19 lunch with her in connection with work  
 20 meetings but you didn't -- for example, you  
 21 and she didn't go to lunch together  
 22 separately, to the best of your recollection.  
 23 A. Right.  
 24 Q. So let me say, when did you first  
 25 learn about -- that there had been an

1 B. LEE  
 2 embezzlement at BankAsiana?  
 3 A. January of 2014 there was a  
 4 customer who complained about 1099 interest  
 5 not being correct. So we were looking at one  
 6 of the -- that customer's account, CD account.  
 7 And when we were looking at the transactions  
 8 that something did not look right. So Irene  
 9 and myself looked at it and Irene was  
 10 contacting Karen because when we saw that  
 11 something did not look right, the CDs, there  
 12 was transactions, money was taken out of CD  
 13 account and put back and so on, which  
 14 shouldn't be. So I asked Irene to call Karen  
 15 because we saw that it was Karen's ID that was  
 16 doing that.  
 17 So -- and that was the day that we  
 18 had a big snowstorm. So we all had to go home  
 19 early, you know. And the next day she --  
 20 Irene said that Karen was coming in to talk to  
 21 us. That's when we found out.  
 22 You know, the night before -- we  
 23 knew something was wrong but I didn't know  
 24 what to think of it and then the next day when  
 25 we met with Irene, myself and Karen, we met,

1 B. LEE  
 2 and she told us that she's been taking money  
 3 out of customers' accounts.  
 4 Q. And that meeting that you just  
 5 referred to, that was just you and Irene and  
 6 Karen.  
 7 A. Yes.  
 8 Q. And that was the day after the  
 9 snowstorm?  
 10 A. Yes.  
 11 Q. And then did Karen come in again  
 12 the following day to have a further meeting  
 13 with you and Irene and others?  
 14 A. Yeah. Alicia from LA, she flew in  
 15 and we had the meeting.  
 16 Q. Do you happen to know the dates  
 17 that that happened?  
 18 A. I don't remember the exact date.  
 19 But it was the -- after the holiday, toward  
 20 the end of 20-something.  
 21 Q. I'll show you some documents later  
 22 but I can tell you that from the documents  
 23 it's obvious that the first meeting you had  
 24 was on January 22nd.  
 25 A. Okay.

1 B. LEE  
 2 Q. With just you and Karen and Irene.  
 3 And the second meeting you referred to was on  
 4 January 23rd. But I'll show you some  
 5 documents so you can see that.  
 6 A. Okay.  
 7 Q. Okay. So now let's talk about the  
 8 first meeting that you had which was, as I  
 9 said, I believe on the 22nd. That was you and  
 10 Karen and Irene, right?  
 11 A. Um-hum, yes.  
 12 Q. And that was Irene Lee?  
 13 A. Yes.  
 14 Q. Okay. Now, tell us where did that  
 15 meeting take place?  
 16 A. In a bakery downstairs in the same  
 17 building.  
 18 Q. Do you actually remember going to  
 19 that meeting?  
 20 A. Yes.  
 21 Q. And do you remember if Karen was  
 22 there first or was -- did you and Irene go  
 23 together? How did it come together?  
 24 A. I'm not hundred percent sure but I  
 25 think Irene and I went downstairs and Karen I

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1 B. LEE

2 think was there already. I think.

3 Q. Okay. So then the two of you had  
4 a conversation with Karen?

5 A. Yes.

6 Q. How long did that conversation  
7 take?

8 A. Not sure but maybe half an hour to  
9 an hour.

10 Q. Okay. And can you tell us what  
11 you can remember, what was said in that  
12 conversation, both either that any -- that you  
13 said, that Irene said, or that Karen said.

14 A. We asked her what happened. And  
15 then she said that she's been taking the money  
16 out of the customers' accounts. And we asked  
17 which customers, because we knew -- there was  
18 one customer that we knew, that was the one  
19 with the 1099 problem. And then I asked her  
20 who else was involved. And I think she gave  
21 me a list of one or two customer names. So  
22 based on that I created that e-mail. I looked  
23 up all the transactions.

24 And that's when she told us that  
25 somebody at the bank was involved. And she

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1 B. LEE

2 wouldn't say who. And I asked her how much  
3 she thinks she took. And she didn't remember.  
4 She said she didn't remember.

5 And I also asked, How long have  
6 you been embezzling money and she didn't  
7 remember exactly either but she said it's been  
8 for a while.

9 Q. Now, she said there was somebody  
10 else involved but she would not tell who that  
11 was.

12 A. Right.

13 Q. Do you remember anything else she  
14 said during this meeting between just you and  
15 Irene and her?

16 A. Anything else? What else did she  
17 say?

18 Basically we were just talking  
19 about -- you know, same thing that I was  
20 telling you. And I was trying to find out the  
21 magnitude of the embezzlement. So after I  
22 spoke with her we went back to the office and  
23 ran the accounts.

24 Q. Okay. So you don't remember  
25 anything else that was said during that

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1 B. LEE

2 meeting other than what you've just told us.

3 A. It was a -- it wasn't like a  
4 five-minute meeting. It was a long meeting.

5 Q. It's okay if you can remember any  
6 more specifics. I'm just trying to establish  
7 whether you do remember any more specifics  
8 because if you don't it's perfectly  
9 understandable.

10 A. Okay. I cannot think of anything  
11 now but if I do then I'll let you know.

12 Q. That's exactly fine. Thank you.

13 Okay. Now, you met with Karen  
14 again the next day, right?

15 A. Right.

16 Q. And who was present at that  
17 meeting?

18 A. Irene and Alicia Lee from LA.

19 Q. Anyone else?

20 A. No. That was it.

21 Q. So it was Irene, Alicia, Karen and  
22 you.

23 A. Yes.

24 Q. Did anyone else come in during  
25 that meeting?

Page 21

1 B. LEE

2 A. No. Not in the meeting. I met a  
3 couple I knew just to say hi but nothing to  
4 that meeting.

5 Q. Okay. Who was that person that  
6 you said hi to?

7 A. I think it was one of the branch  
8 manager at Wilshire but I'm not a hundred  
9 percent sure. I think.

10 Q. Do you know that person's name?

11 A. Kwon Ho Jung.

12 Q. I understand that you're not a  
13 hundred percent sure. You thought it was Kwon  
14 Ho Jung?

15 A. Yes. Might be.

16 Q. And you just remember saying  
17 pretty much hi?

18 A. Yeah.

19 Q. Okay. Now, tell us at this  
20 meeting with Irene, Alicia, Karen and you,  
21 what can you remember that Karen said at that  
22 meeting?

23 A. Well, we asked her exactly what  
24 happened, what she did. You know, same thing  
25 as, you know, the one before because Alicia



1 B. LEE  
 2 was there.  
 3 What else?  
 4 I think at that meeting I think  
 5 she might have said James was the one. I'm  
 6 not hundred percent sure. But, you know,  
 7 either she said it or we kind of knew that she  
 8 was referring to him. I think she did say it.  
 9 Q. And other than saying that he was  
 10 the one, by that you mean the person who was  
 11 involved in the embezzlement with her?  
 12 A. Right.  
 13 Q. Did she say anything else in  
 14 addition, such as how he was involved?  
 15 A. I don't remember if she said  
 16 anything about how he was involved. But she  
 17 said that she gave cash to him. And that she  
 18 did not have any proof that he was involved.  
 19 Q. Did she say anything else on that  
 20 subject about any involvement by Mr. Ryu?  
 21 A. She said that she met with him  
 22 and, you know, she said that James said that  
 23 it's your problem kind of thing, you know.  
 24 Because I -- I might have asked that, you  
 25 know, if he was involved. And, you know,

1 B. LEE  
 2 after they announced the merger I guess, you  
 3 know, she said she met with him. But she  
 4 said -- and they were talking and I guess --  
 5 she said something like, you know, when she  
 6 spoke with him he said that that's your  
 7 problem kind of thing.  
 8 Q. So she said -- and she said this  
 9 conversation occurred after the merger?  
 10 A. No. Before the merger. After  
 11 they announced the merger.  
 12 Q. I see. Between the announcement  
 13 of the merger and when it became final.  
 14 A. Right. Because I think just  
 15 before the merger actually took place that she  
 16 was on the list of people who were -- who they  
 17 were going to let go. And, you know, if she's  
 18 not there that somebody else will find out.  
 19 So sooner or later it's a matter of time  
 20 somebody will find it. So I guess she was  
 21 worried about it.  
 22 Q. And she said she had said this to  
 23 James?  
 24 A. She discussed this situation with  
 25 James. And she said James said that that's

1 B. LEE  
 2 your problem.  
 3 Q. Okay. Did she say anything else  
 4 about James and the embezzlement?  
 5 A. Basically she was just -- she kept  
 6 on saying that she did not have any proof  
 7 because everything -- she gave cash to him and  
 8 she said how she gave money to him. You know,  
 9 like, in the office envelope or something like  
 10 that, you know. That kind of thing.  
 11 Q. So she mentioned that she gave him  
 12 cash in an inter-office envelope.  
 13 A. Yes.  
 14 Q. But she didn't have any proof  
 15 because it was cash? Is that what you --  
 16 A. Yes. Right, right.  
 17 Q. And did she also say that there  
 18 were no voice mails or e-mails as well, so she  
 19 didn't have any proof of that?  
 20 A. I don't know if she said something  
 21 specifically about voice mail or anything like  
 22 that. But she said that she -- see, when I  
 23 was asking her a lot of questions I asked her,  
 24 like, you know -- I asked her to be -- to give  
 25 us all the information and don't worry about

1 B. LEE  
 2 proof or anything like that because, you know,  
 3 the expert will take care of it. Just let us  
 4 know everything, you know, truthfully, you  
 5 know, so that, you know, that's the best she  
 6 could do.  
 7 But she kept on -- she was worried  
 8 that it's going to be all her doing because  
 9 there's no proof.  
 10 Q. In other words, she said that it's  
 11 only her claim. She had no proof. It was  
 12 just her -- what she says. She expressed  
 13 concern that she had nothing other than her  
 14 word to support this claim. Do I understand  
 15 correctly?  
 16 A. Right.  
 17 MR. YI: Objection to the form.  
 18 Q. Did you know that that meeting --  
 19 was that meeting tape recorded?  
 20 A. I found out later that it was tape  
 21 recorded. I didn't know at the time.  
 22 Q. Who tape recorded it?  
 23 A. I think Alicia did.  
 24 Q. And do you know how she did it?  
 25 A. I don't know but -- oh, her phone



B. LEE

I think.

Q. Did you see her? Did she have her phone out?

A. She had her phone out. I know she kept on playing with her phone but I never thought of her recording it. But later on I found out that she did record the conversation but I didn't know.

Q. Did you ever review -- did you ever listen to that recording?

A. No.

Q. Did you ever see a transcript of that recording?

A. No.

Q. Okay. So is there anything else you can remember about this meeting with Karen on the 23rd? Such as, for example, did she say how much money she took?

A. She did say that but she estimate it to be a lot less than what she said because between the first and the second meeting, what I did was I looked at all the -- some of the CD accounts and also I looked -- because she said that she took the money, she

B. LEE

transferred the money out of CD accounts into the cash account and she took the money out of the cash account.

So I looked at all the cash accounts and I looked at all the big items. You know, so I estimated 1.2 million or 1 point something. You know, so I came up with that and I wrote an e-mail and sent it to Elaine Jeon. She was the head of operations.

But before we sent out the e-mail we did call. After our meeting with the -- Karen on the first day, you know, Irene and I called Elaine Jeon. And we met on the second day I asked -- either I asked or it came up that, you know, how much she said she embezzled. And I think I told her that it was a lot more. And she didn't think it was that much.

But she -- either she didn't want to say it or she said she didn't know.

Q. Did she give any number?

A. She might have. I remember either the first meeting or second meeting she said it was -- the amount she said was less than 1

B. LEE

million. She didn't say less than 1 million. But she did say -- I don't know, 700-, 800,000. I don't remember the exact amount but it was a lot more than what she said, what she estimated.

Q. Did she say what she did with the money?

A. I don't remember. I don't even remember her mentioning that.

Q. Okay. So just again the same question I asked you before. And I'm going to show you the documents so maybe you'll have other memories but right now do you remember anything else that was said at this meeting on the 23rd? By anyone.

A. She said something about the loan. But I don't remember the exact -- exactly what was said. But she said something about -- later on I found out that Irene -- somebody asked Irene to get a loan and lend James money or something like that. So something like that was said.

Let's see.

And I remember, at the time I

B. LEE

think Mr. Hur, CEO, was in Hawaii I think and so I was -- like, I remember worrying about -- you know, not worrying, but when Mr. Hur finds out that he will be really shocked. Because at the time he was still I think employed by Wilshire.

No, no. He was gone by that time.

Q. Do you remember anything else that was said at the meeting?

A. I can't think of it right now.

Q. Okay. Have you spoken to Karen since that day, January 23rd?

A. No.

Q. Not by phone or by in person, correct?

A. No.

Q. In other words, I'm correct.

A. Yes.

Q. Gottcha.

A. You're correct.

Q. After that meeting on January 23rd, have you ever been in any other communication -- any conversations or communications about whether James Ryu

1 B. LEE  
 2 actually was involved in the embezzlement?  
 3 A. If I had any conversation with  
 4 anybody?  
 5 Q. Correct. After the date of  
 6 January 23rd. After that meeting. Did you  
 7 ever discuss with anybody at the bank or  
 8 anybody about whether James was involved in  
 9 the embezzlement?  
 10 A. Yes. We were talking to Alicia,  
 11 Karen, because I couldn't believe that that  
 12 was happening. And I didn't know -- I was  
 13 really surprised to find out that Karen was  
 14 that kind of person because I always had a  
 15 very good opinion about her because she had a  
 16 really good attitude at the bank and she never  
 17 created any problems. So I was really  
 18 surprised. And then she said James was  
 19 involved.  
 20 So I was really surprised at that  
 21 also because, you know, anybody in the bank --  
 22 you know, he was in the bank for very long  
 23 time. And anything that you do, you know, is  
 24 going to get caught sooner or later. So, you  
 25 know, how could somebody be so stupid, both of

1 B. LEE  
 2 Q. Anybody else? Such as the FBI?  
 3 A. F -- oh, yeah. FBI. Was it the  
 4 FBI? Somebody called. I think they asked  
 5 questions. And I don't remember exactly what  
 6 they asked me. But -- yeah, I think it was  
 7 FBI while I was in Wilshire. That was when I  
 8 was in Fort Lee. So it was few months after I  
 9 think.  
 10 Q. So you believe at some point you  
 11 talked to somebody from the government.  
 12 A. Yeah. I think so.  
 13 Q. And it was by phone?  
 14 A. Oh, it was by phone, yes.  
 15 Q. And do you remember if you said  
 16 anything in that call about James Ryu?  
 17 A. I don't think so.  
 18 Q. Okay. Now, you said you had  
 19 conversations -- I'm not going to ask you  
 20 about your conversations with your husband but  
 21 I am going to ask you about your conversations  
 22 with Alicia and Karen about whether James was  
 23 involved.  
 24 You had some conversations with  
 25 Alicia and Irene, I'm sorry. Did I understand

1 B. LEE  
 2 them, to do anything like that. And I didn't  
 3 know what to believe.  
 4 One moment maybe she's right, next  
 5 moment I'm not sure she's right. So I was  
 6 really confused. I didn't know what to think  
 7 because everything was, like -- you know, it  
 8 was a really shocker.  
 9 Q. Did you -- after the meeting on  
 10 the 23rd, did you have any conversations with  
 11 anyone, the people you mentioned, where you  
 12 talked about whether James was actually  
 13 involved?  
 14 A. Right.  
 15 Q. Yeah. And who did you have those  
 16 conversations with?  
 17 A. Irene and Alicia. And outside of  
 18 the bank with my husband. In the beginning I  
 19 didn't say anything because it was a very  
 20 confidential matter. But I was coming home  
 21 really, really late every day so I had to tell  
 22 him. You know, just talk about what had  
 23 happened. You know, like I said before, I  
 24 didn't know what to think of it. That was the  
 25 conversation basically.

1 B. LEE  
 2 you to say it was Alicia and Irene you had  
 3 those conversations with?  
 4 A. Right. Separately.  
 5 Q. I see. And do you remember what  
 6 you said or what they said?  
 7 A. One thing I remember was -- you  
 8 know, I was asking her, you know, Karen is  
 9 saying that James was involved. But I was  
 10 asking her, like, you know, he's a COO of the  
 11 bank, you know. And how could he be so stupid  
 12 to get involved something like that.  
 13 So I had said -- you know, I was  
 14 just questioning, you know. And also Lisa  
 15 Pai -- we also had an interview with all the  
 16 employees. She asked a lot of questions.  
 17 They might have recorded everything also. At  
 18 the time I didn't know.  
 19 But I don't remember detail. I  
 20 remember Lisa Pai was asking about James. And  
 21 also I remember I spoke to Alicia about, you  
 22 know, my relationship with James. Work  
 23 relationship. And, you know, that kind of  
 24 thing.  
 25 Q. Um-hum. Okay. So you remember

1 B. LEE  
 2 telling either Alicia or Irene that it didn't  
 3 make sense to you that somebody who was the  
 4 COO of the bank could be that stupid to be  
 5 involved in this. Did I understand you  
 6 correctly?  
 7 A. Right, right, right.  
 8 MR. YI: Objection to form.  
 9 Q. Okay. So then was that with  
 10 Alicia or was that with Irene or both?  
 11 A. I think both because at first when  
 12 Karen said -- and at the same time, like, if  
 13 he wasn't involved why would Karen pick James.  
 14 So I really didn't know what to think of it  
 15 because it didn't make sense.  
 16 Q. Did either -- either of those  
 17 women, Alicia or Irene say that she had some  
 18 evidence that James was involved other than  
 19 Karen's word?  
 20 A. No.  
 21 Q. Now, what about you said you had a  
 22 meeting with Lisa Pai. Was that alone with  
 23 Lisa Pai or were there other people present?  
 24 A. Alone.  
 25 Q. And that was some time within a

1 B. LEE  
 2 and --  
 3 A. No.  
 4 Q. So you had a meeting alone with  
 5 Lisa Pai.  
 6 A. Yes.  
 7 Q. And you don't know whether she  
 8 recorded it.  
 9 A. I don't know.  
 10 Q. And do you remember what was said  
 11 in that meeting?  
 12 A. I don't remember. We talked about  
 13 a lot of, you know, personal stuff also. And  
 14 then she asked about James but I don't  
 15 remember the details, you know. But she was  
 16 playing with the phone also. Every time --  
 17 now that I think -- you know, after I found  
 18 out that they recorded that phone -- the  
 19 conversation with the meeting, the -- Alicia  
 20 and Karen and Irene, I remember that they were  
 21 playing with the phone a lot, you know, when  
 22 we were talking. But I didn't -- I really  
 23 didn't know that they were recording.  
 24 Q. And I take it from what you just  
 25 said you don't remember what you said to Lisa

1 B. LEE  
 2 few days or weeks after you first learned  
 3 about the problem?  
 4 A. That's when -- I think when I met  
 5 you at the parking lot. I don't remember when  
 6 it was. It was --  
 7 MR. YI: Indicating me.  
 8 A. That was around the time there  
 9 because she was visiting from LA to here. So  
 10 she was interviewing, you know, a few  
 11 employees. Irene, me, and there was an IT  
 12 person she was interviewing.  
 13 Q. And you met -- you said "you," but  
 14 you meant Mr. Yi, right, Michael Yi, who is in  
 15 the room with us?  
 16 A. Right. At the parking lot, yeah.  
 17 I just say hi.  
 18 Q. Did you know him before that?  
 19 A. No.  
 20 Q. So did Lisa Pai introduce him?  
 21 A. Yeah.  
 22 Q. So you met Mr. Yi but you just  
 23 said hi.  
 24 A. Yeah.  
 25 Q. So was he in the meeting with you

1 B. LEE  
 2 Pai about James.  
 3 A. I don't remember to -- what I said  
 4 to Lisa Pai or to Alicia Lee but we were just  
 5 talking general about James' character kind of  
 6 thing, you know.  
 7 Q. And so you discussed in a general  
 8 sense with Lisa James' character?  
 9 A. I shouldn't say maybe James'  
 10 character. But -- yeah, at one time or  
 11 another I think, you know, we talked about how  
 12 he was.  
 13 Q. And do you remember what you said  
 14 about that?  
 15 A. In general, that he was not an  
 16 easy person and he gets angry a lot. That  
 17 kind of thing.  
 18 Q. Did you say anything else other  
 19 than that he was not an easy -- you meant not  
 20 an easy person to work with.  
 21 A. Right.  
 22 Q. And that he got angry. Did you  
 23 tell her that?  
 24 A. Yeah. I think so. But not in  
 25 that exact terms but in that context.

1 B. LEE

2 Q. Okay. Did you say anything else  
3 about his character other than that he was  
4 what you just told us?

5 A. One time -- I think I might have  
6 said that to Alicia. I'm not sure if I said  
7 that to Lisa or not, but one time he had his  
8 business and he asked me to come to his  
9 business. And then he was talking about -- he  
10 was asking about, like, bookkeeping kind of  
11 thing. So I visited his place. He had a  
12 beauty salon. So I think we talked about  
13 that.

14 And at the time I was really,  
15 really busy at the office, as it was during --  
16 after year-end and the audit time, so I was  
17 really busy. But he asked me if I could visit  
18 him.

19 So I told him that I would do that  
20 after I -- after busy season. And -- but he  
21 said that he needed me -- he wanted me to  
22 visit him earlier than that. So one Sunday I  
23 did go down to his office. But at the time I  
24 was a little uneasy about, you know, getting  
25 involved with anything out of the workplace

1 B. LEE

2 since he was a boss at the time. So that  
3 uneasy feeling I had.

4 Q. Did you tell this to Lisa Pai or  
5 did you tell this to Alicia?

6 A. Alicia -- with Alicia we talked  
7 about it. But I don't remember if I told Lisa  
8 Pai or not. I don't remember.

9 Q. Okay. So this office you said, it  
10 was actually a beauty salon?

11 A. Um-hum.

12 Q. I'm sorry. You need to say yes or  
13 no for the court reporter.

14 A. Yes. I'm sorry.

15 Q. That's okay.

16 And you actually did go to visit  
17 the beauty salon with James on one -- one  
18 occasion?

19 A. Yes. Just once.

20 Q. And how long did that last?

21 A. Not long. I don't know. Maybe  
22 half an hour.

23 Q. And James was asking you questions  
24 about bookkeeping for this beauty salon. Do I  
25 understand you correctly?

1 B. LEE

2 A. Something to that nature. And I  
3 told him to get a program. And then after  
4 that meeting he never mentioned anything about  
5 it so I didn't mention anything either.

6 Q. So if I understood you correctly  
7 he was asking you for some advice about this  
8 beauty salon?

9 A. Right. That's what I thought that  
10 he was doing.

11 Q. Okay.

12 A. Accounting advice.

13 Q. And this meeting took place on a  
14 weekend. Did I hear you correctly?

15 A. Because I was working on Saturday  
16 also so one Sunday I -- Sunday afternoon I  
17 went down because I didn't want to postpone it  
18 because he said he needed my advice, you know,  
19 soon. He didn't say my advice. But...

20 Q. So if I understand this correctly,  
21 it was your understanding that he was asking  
22 you for your advice on a personal basis about  
23 this beauty salon and this happened on one  
24 occasion, right?

25 A. Um-hum.

1 B. LEE

2 Q. You have to say --

3 A. Yes, I'm sorry.

4 Q. And this made you a little bit  
5 uncomfortable because he was the boss. Did I  
6 understand that correctly?

7 A. Right, right. Boss. And also I  
8 don't like to get involved with the co-workers  
9 outside of the office, unless I'm a personal  
10 friend with the person, then I'm -- you know,  
11 that would be okay. But otherwise that's  
12 uncomfortable.

13 Q. Okay. So now -- and you told this  
14 I believe to either Alicia or Lisa.

15 A. Alicia I did -- I remember telling  
16 her. But I don't remember if I said that to  
17 Lisa Pai or not.

18 Q. Okay. So earlier you said you may  
19 have had conversations about James' character  
20 and then you gave us I think two examples or  
21 you said what you just told us about this  
22 meeting at the beauty salon.

23 A. Um-hum.

24 Q. And then you also had a concern  
25 that he lost his temper or was not easy to

1 B. LEE  
2 work with. Was there anything else other than  
3 those two things when you said you told her  
4 something to do with his character?

5 A. There was one other incident that  
6 I was really uncomfortable but I don't  
7 remember who I said it to.

8 When we were moving from one  
9 location to the headquarters, that he got  
10 really upset and I was really scared of him,  
11 you know.

12 Q. When was this?

13 A. Probably one year after we started  
14 it. We were at either Palisades Park or  
15 Ridgefield office temporarily. Then we moved  
16 to the Palisades Park headquarters. And when  
17 we were moving, I don't remember exactly why  
18 he was upset, but he was really upset. And  
19 there was one other girl and both of us were  
20 really scared.

21 Q. He was upset, like angry upset?

22 A. He was really angry. And then he  
23 was, like, kicking boxes. So we were really  
24 upset -- we were really scared.

25 Q. Did he --

1 B. LEE

2 A. For few days -- few days we were  
3 scared.

4 Q. Did he say something in that  
5 instance to suggest he was going to do  
6 something to you or was he just kicking boxes  
7 and that made you uncomfortable?

8 A. He didn't say something to me. He  
9 was not nasty to me but the environment was  
10 scary.

11 Q. I understand. Now, this had  
12 happened -- what year was this?

13 A. Probably 2008.

14 Q. And was there ever any other  
15 incidents like that that you told them about?

16 A. I don't remember.

17 Q. Do you remember whether there were  
18 ever any other incidents like that that made  
19 you afraid?

20 A. I don't remember any particular  
21 things that he did to me. But when he's angry  
22 sometimes he yells. So that's scary.

23 Q. And you told this to either Alicia  
24 or Lisa.

25 A. I might have said it to Lisa.

1 B. LEE

2 Q. Alicia. I'm sorry. I apologize.

3 A. Lisa.

4 Q. You said Lisa Pai, okay.

5 A. See, I don't remember exactly what  
6 I said to either one. But, you know -- and  
7 how much detail I told them. But something to  
8 do with being uncomfortable sometimes. You  
9 know, that we discuss.

10 Q. Okay. So was there anything else  
11 that you can recall that you told either Lisa  
12 or Alicia about James Ryu as they were  
13 discussing these matters following the days  
14 after learning there was an embezzlement?

15 A. I don't remember right now but if  
16 I do I'll let know.

17 MR. HARVEY: Okay. Let's take a  
18 short break. I want to mark some  
19 exhibits.

20 (Recess taken.)

21 (Ryu Exhibit 4, letter dated  
22 August 30, 2016 with attached subpoena,  
23 marked for identification as of this  
24 date.)

25 (Ryu Exhibit 5, e-mail dated

1 B. LEE

2 January 22, 2014, marked for  
3 identification as of this date.)

4 (Ryu Exhibit 6, e-mail dated

5 January 27, 2014, marked for  
6 identification as of this date.)

7 (Ryu Exhibit 7, e-mail dated

8 January 37, 2014, marked for  
9 identification as of this date.)

10 (Ryu Exhibit 8, e-mail dated

11 January 30, 2014, marked for  
12 identification as of this date.)

13 (Ryu Exhibit 9, e-mail dated

14 February 4, 2014, marked for  
15 identification as of this date.)

16 (Ryu Exhibit 10, e-mail dated

17 February 6, 2014, marked for  
18 identification as of this date.)

19 (Ryu Exhibit 11, e-mail dated

20 October 29, 2015, marked for  
21 identification as of this date.)

22 BY MR. HARVEY:

23 Q. Ms. Lee, I'm going to hand you a  
24 document that's been marked as Ryu Exhibit 4.  
25 It's pretty obviously my letter to you with



1 B. LEE  
 2 the subpoena.  
 3 A. Okay.  
 4 Q. And I just want you to take a  
 5 moment and confirm that's the letter you  
 6 received from us with the subpoena in this  
 7 case.  
 8 A. Yes.  
 9 Q. Okay. I have no further questions  
 10 on that.  
 11 I'd like to now ask you to take a  
 12 look at a document that's been previously  
 13 marked as Ryu Exhibit Number 2. My first  
 14 question is going to be whether you've ever  
 15 seen it before.  
 16 (Document review.)  
 17 A. I don't think so.  
 18 Q. Actually, I think we might have  
 19 marked this Ryu 3 actually at the prior  
 20 deposition. We'll get the number corrected.  
 21 In any event, it's a one-page  
 22 document that has on the lower right-hand  
 23 corner the number WB643.  
 24 A. Okay.  
 25 Q. Do you see that on the document

1 B. LEE  
 2 you're looking at, WB643?  
 3 A. Yes.  
 4 Q. Okay. And it's dated January  
 5 23rd, 2014.  
 6 A. Yes.  
 7 Q. And have you read it now? Do you  
 8 need a minute to read it?  
 9 A. Yeah. I'll read it now.  
 10 (Document review.)  
 11 Q. You've had chance to read that  
 12 document?  
 13 A. Yes.  
 14 Q. Okay. Just for the record, that  
 15 is Ryu 3. I just confirmed that.  
 16 Now had you ever seen this  
 17 document before?  
 18 A. I don't think so. I don't  
 19 remember. I don't recall seeing this one.  
 20 Q. Okay. Did reading this help you  
 21 remember anything about a meeting -- either of  
 22 the meetings that you had forgotten?  
 23 A. Yes.  
 24 MR. YI: Objection to form.  
 25 Q. You can go ahead and answer.

1 B. LEE  
 2 A. Yes. I didn't quite remember this  
 3 \$10,000 loan that's -- when this thing started  
 4 with. I didn't remember that. I knew there  
 5 was some kind of loan but I didn't exactly  
 6 remember that.  
 7 Q. So let me just stop you there.  
 8 You see that it makes reference to something  
 9 about a \$10,000 personal loan in here, right?  
 10 A. Right.  
 11 Q. And do you remember, you know --  
 12 do you remember any conversations about any  
 13 personal loan to James in this -- Karen saying  
 14 something about that?  
 15 A. Yes. I remember vaguely. And  
 16 also that something to do with the loan  
 17 related to Irene. Somebody was asking Irene  
 18 to get a personal -- a loan from the bank and  
 19 lend it to James. That kind of thing I  
 20 remember. That was discussed.  
 21 Q. Okay. You told us about that  
 22 earlier.  
 23 A. Yes. Right, right.  
 24 Q. Does this reference on this page  
 25 to \$10,000, does that help you remember that

1 B. LEE  
 2 there was a discussion about a \$10,000 loan or  
 3 any other loan other than what you just told  
 4 us?  
 5 A. No. But I didn't remember the  
 6 amount, \$10,000.  
 7 Q. Sitting here today, do you  
 8 remember that amount, as -- I'm not asking  
 9 you --  
 10 A. I don't remember, yeah.  
 11 Q. Good, that's all I'm asking. All  
 12 right.  
 13 Is there anything else in this  
 14 document that helps you remember things that  
 15 you didn't remember prior? Not just because  
 16 it says it in there and you see it but that  
 17 you say, Oh, now I remember something that I'd  
 18 forgotten?  
 19 A. No. There were certain things  
 20 that I don't remember talked about. But I  
 21 cannot recall anything more than what I said.  
 22 Q. Okay. How about there's a fourth  
 23 paragraph here that says -- begins with the  
 24 words "Since then..."  
 25 A. Right.



1 B. LEE

2 Q. Do you remember Karen saying  
3 something like that?

4 A. Yes. But I don't remember if she  
5 said that or was through the company phone but  
6 never over personal home or cell phone. That  
7 I don't remember exactly.

8 But she said -- what I remember is  
9 whatever the contact that they did, she said  
10 there's no proof. You know, that much I  
11 remember.

12 Q. All righty. I'd like you to --  
13 well, actually, let's go down a couple lines.  
14 There's a paragraph and a sentence that says:  
15 "As per Karen's statement, Mr. Ryu mentioned  
16 to here that he would 'compensate' her for her  
17 'help'."

18 Do you see that?

19 A. I don't remember that  
20 conversation.

21 Q. Now, I'd like you to take look at  
22 another document. This was previously marked  
23 as Ryu Exhibit 2, and my first question is  
24 going to be whether you've ever seen that  
25 before.

1 B. LEE

2 A. Yes. I wrote it.

3 Q. And this is an e-mail that you  
4 sent on January 22nd?

5 A. Yes.

6 Q. Is this the e-mail you testified  
7 about earlier?

8 A. Yes.

9 Q. Who is Seung Ho Park?

10 A. He's the regional director.

11 Because we called -- after the meeting with  
12 Karen I called Seung Ho Park first and then I  
13 called Elaine Jeon. And then that afternoon I  
14 looked at all the general ledger and, you  
15 know, came up with this e-mail.

16 Q. Okay. I'd like you to now take a  
17 look at another document. This one has been  
18 marked as Ryu Exhibit Number 5. Please take a  
19 moment to look at this.

20 (Document review.)

21 A. Okay.

22 Q. Have you had a moment to look at  
23 what's been marked as Ryu 5?

24 A. Yes.

25 Q. Okay. And at the bottom of the

1 B. LEE

2 e-mail chain reading up, the bottom one is the  
3 e-mail that we just looked at from you on  
4 January 22nd.

5 A. Yes.

6 Q. And then is that Elaine Jeon  
7 responding to you on January 22nd?

8 A. Yes.

9 Q. And that's telling you that Alicia  
10 Lee was going to be coming out from Los  
11 Angeles for a meeting that day.

12 A. Yes.

13 Q. And it's simply your response,  
14 Thank you, that same note.

15 A. Yes.

16 Q. Now, I'd like to hand you what's  
17 been marked as Exhibits 6 and 7. Please take  
18 a moment to look at them and my first question  
19 is going to be whether you've ever seen them  
20 before.

21 A. Yes.

22 Q. Take a look at both of them just  
23 to make sure.

24 (Document review.)

25 Q. Tell me what's Exhibit 6?

1 B. LEE

2 A. It's the e-mail that I send to  
3 myself for follow-up on James' personal  
4 account.

5 Q. And then what's number 7? Ryu  
6 Number 7?

7 A. My e-mail to myself probably to  
8 follow up on Miye Chon. Karen.

9 Q. So number 7 e-mail -- excuse me --  
10 Ryu 7 is an e-mail with screen shots that you  
11 forwarded to yourself and the screen shots are  
12 of Karen Chon's account -- multiple accounts?

13 A. Right.

14 Q. And number 6 was the same thing  
15 but that was screen shots of accounts or  
16 accounts for James.

17 A. Right.

18 Q. Okay. Now, why did you do that?  
19 Why did you print those out and forward them  
20 to yourself? Why did you forward that  
21 information to yourself?

22 A. A lot of times, like, you know, if  
23 I need to follow up on it, you know, I do an  
24 e-mail. I write myself an e-mail so that I  
25 have that information because if I just print

1 B. LEE  
 2 it, if I misplace it, I lose it. So that's my  
 3 habit.  
 4 Q. Okay. And did you -- we talked a  
 5 lot earlier already in this deposition about  
 6 the meetings on the 22nd and the 23rd. And I  
 7 think if you look at the documents I showed  
 8 you, you can see that -- for example, from Ryu  
 9 2 it clearly indicates that the first  
 10 conversation with Karen was on the 22nd of  
 11 January.  
 12 A. Okay.  
 13 Q. Right? And then the other one  
 14 that we looked at indicates that the meeting  
 15 with Alicia was the 23rd.  
 16 A. Okay.  
 17 Q. Now, did you have a role in the  
 18 investigation of the embezzlement by Karen  
 19 including whether James was involved after  
 20 January 23rd?  
 21 A. Yes.  
 22 Q. And what was that role?  
 23 A. Well, I was heavily involved with  
 24 finding out what was happening. What  
 25 happened.

1 B. LEE  
 2 A. Right.  
 3 Q. Okay. What did you learn?  
 4 A. That she took out a lot of money  
 5 from, you know, the few customers.  
 6 Q. So you learned about the amount of  
 7 money that Karen embezzled or the information  
 8 relating to how much she embezzled, what she  
 9 embezzled, and things like that.  
 10 A. Right. And which customers were  
 11 involved.  
 12 Q. Did you learn anything about  
 13 James' alleged role in this?  
 14 A. No.  
 15 Q. Did you look at that?  
 16 A. I looked at his account.  
 17 Q. What were you looking for?  
 18 A. To see if there's any big money or  
 19 any money going in there. Either, you know,  
 20 deposit or transfers.  
 21 Q. Did you find anything that you  
 22 thought was relevant to the investigation with  
 23 respect to James?  
 24 A. No.  
 25 Q. I'm going to hand you now what's

1 B. LEE  
 2 Q. Okay. So you played an ongoing  
 3 role in the investigation.  
 4 A. Yes.  
 5 Q. How long did that continue for?  
 6 A. I don't know. Maybe a month.  
 7 Q. Okay. So it was at least several  
 8 weeks or maybe more?  
 9 A. Yes.  
 10 Q. And then what did you actually do  
 11 to help out in this investigation?  
 12 A. After Alicia came, I think there  
 13 was an audit, internal audit came. I don't  
 14 remember when he came. And they were asking a  
 15 lot of questions also. And asked us to  
 16 investigate a lot of things. And at the same  
 17 time I wanted to know. So I did a lot of, you  
 18 know, looking up in the system.  
 19 Q. So you looked up information in  
 20 the system to provide it to the auditor? Do I  
 21 understand you correctly?  
 22 A. To the auditor or Alicia, yes.  
 23 Q. And then you also just did some  
 24 investigating on your own because you were  
 25 trying to figure it out.

1 B. LEE  
 2 been marked as Deposition Exhibit Ryu 8.  
 3 Please take a moment to look at  
 4 it. My first question is going to be whether  
 5 you've ever seen it before.  
 6 (Document review.)  
 7 Q. Have you had a chance to look at  
 8 it?  
 9 A. Yes.  
 10 Q. Do you recognize it?  
 11 A. Yes.  
 12 Q. It's an e-mail exchange between  
 13 you and someone named Orest Hamersky.  
 14 A. Yes. He's the internal auditor.  
 15 Q. And this e-mail exchange, which  
 16 occurred between January 29th and January  
 17 30th, is an example of Mr. Hamersky, the  
 18 auditor, asking you for some information and  
 19 you providing it, correct?  
 20 A. Yes.  
 21 Q. Okay. Now, I'd like to ask you to  
 22 take a moment to look at Exhibit Number Ryu 7.  
 23 (Document review.)  
 24 Q. Have you had a moment to look at  
 25 that?

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B. LEE

A. Yes.

Q. And can you tell me, do you recognize it as an e-mail exchange between you and somebody named Dona Maeng?

A. Yes.

Q. And who is Dona Maeng?

A. She's the accounts payable person at Wilshire.

Q. And this is just an example of you providing information to the bank about -- some information that you had about James.

A. Right. I don't remember who asked for it but somebody must have asked for it.

Q. Okay. And it's quite self-explanatory. You're reporting that since October 1 of 2013 the only payment to James was in the amount of \$418.73 for some expense issue.

A. Right.

MR. YI: Objection to form.

Q. Okay. Thank you.

I'm going to hand you what's been marked as Ryu 10. Please take a moment to look at it.

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B. LEE

(Document review.)

A. Okay.

Q. Can you tell us what this is?

A. I'm answering what Orest was asking about, who this teller drawer number 203 was.

Q. And so this is another example of you providing information to Mr. Hamersky?

A. Yes.

Q. That's the only question I have on that.

I'm going to hand you what's been marked as Ryu Exhibit 11. Please take a moment to look at it and my first question is going to be whether you've ever seen it before.

A. Yes.

Q. This is an e-mail of you forwarding -- on October 29th of 2015, of you forwarding to yourself your e-mail from January 22nd of 2014; isn't that true?

A. Yes.

Q. Why did you forward this to yourself in October 2015?

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B. LEE

A. It's probably -- again, like, you know, I forward myself an e-mail. If it was long time ago then I have to go through them. So if I have to do something to follow up, it's probably to refresh my memories with the interview, the phone interview maybe. I probably -- that's why probably I forward it to myself. So I will have it on top of my list.

Q. Okay.

A. Yeah.

Q. Okay. So -- was that the phone interview with the government that you mentioned earlier?

A. Yeah. I think so.

Q. That's the same one you told us about earlier?

A. Yeah. I think so. But I'm not hundred percent sure. But when I need to follow up on something then I'll send myself an e-mail, I'll forward it to myself.

Q. Okay. So you told us generally about your role in the investigation. And did there ever come a time when you were in a

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B. LEE

meeting where anyone asked you about -- anybody other than the people we've already talked about, Lisa, Alicia, asked you, or the FBI, government, asked you about James' role in this?

A. Anybody other than that?

Q. Yes.

A. Well, after everything was on the newspaper, you know, people were -- they were not really asking me personally but they were just -- people are wondering. And I didn't say that I was actively involved with the investigation, you know, but, you know, people will ask.

Q. Is that people who are outside the bank such as friends in the Korean-American community or people you know?

A. Yeah. People like -- you know, anybody who saw the newspaper would bring that up because that was a big news.

Q. So was it brought up with you more than once?

A. Oh, yeah.

Q. And did they mention James in that

1 B. LEE  
 2 conversation?  
 3 A. Yes, because on the newspapers I  
 4 think it had it his name on it.  
 5 Q. Do you remember who you had those  
 6 conversations with?  
 7 A. Former employees, you know.  
 8 Q. So you remember having the  
 9 conversation with some former employees?  
 10 A. Right.  
 11 Q. Anybody specific that you can  
 12 remember?  
 13 A. Jessica Kim.  
 14 Q. Okay. Anyone else other than  
 15 Jessica Kim?  
 16 A. And Jenny Lee.  
 17 Q. Jenny Lee?  
 18 A. Yeah. Jenny Lee. She's an  
 19 ex-employee also.  
 20 Q. Anyone else you can remember  
 21 having those conversations with?  
 22 A. One of the store owner at the  
 23 bank. At the -- where the bank was located,  
 24 there was a jewelry store and she asked, you  
 25 know. But I didn't -- we didn't really have a

1 B. LEE  
 2 conversation but she was just asking what  
 3 happened. A lot of people were asking what  
 4 happened including customers.  
 5 Q. Did you ever have a meeting with  
 6 any lawyers from the bank other than Lisa Pai?  
 7 Like Mr. Yi?  
 8 A. I never had a meeting with him.  
 9 Q. Did you ever discuss this case  
 10 with him?  
 11 A. No.  
 12 Q. Did you ever have any  
 13 conversations with him other than that one  
 14 meeting in the parking lot?  
 15 A. I don't think so.  
 16 Q. Do you remember any other meetings  
 17 or communications that you had as part of this  
 18 investigation when you were at the bank where  
 19 people talked about whether James was involved  
 20 in this or not? Either you or anybody else  
 21 talked about whether James was involved or  
 22 not?  
 23 A. Well, people were talking about it  
 24 a lot.  
 25 Q. You mean among the employees.

1 B. LEE  
 2 A. No. Even like the people -- like,  
 3 for example, my mother-in-law was asking, you  
 4 know, there was something -- there was an  
 5 embezzlement where you're working. And she  
 6 was asking what happened. That kind of thing.  
 7 Q. Let's talk about within the bank,  
 8 right, you --  
 9 A. Within the bank?  
 10 Q. Yes. Within the bank. Did you  
 11 have communications -- and I don't mean --  
 12 I'm not referring now to, you know, a casual  
 13 conversation with an employee who might have  
 14 mentioned something. But the people who were  
 15 working on the investigation, that's you,  
 16 Alicia, Lisa Pai, Orest, any other meetings  
 17 you've already told us where people were  
 18 talking about whether or not James was  
 19 involved in this?  
 20 A. No. I don't think so.  
 21 Q. Did you ever hear anybody say  
 22 James was involved other than Karen?  
 23 A. No.  
 24 Q. Did you know that Karen at one  
 25 point worked for Liberty Bank in New York?

1 B. LEE  
 2 A. Yes. I heard.  
 3 Q. Did you understand that there had  
 4 been an allegation that she was embezzling  
 5 while at Liberty Bank?  
 6 A. I heard.  
 7 Q. Did you hear that while you were  
 8 still employed by Wilshire Bank?  
 9 A. When I was at BankAsiana I heard.  
 10 Q. Who did you hear that from at  
 11 BankAsiana?  
 12 A. Jessica Kim.  
 13 Q. Did you ever tell anybody that  
 14 when you were at BankAsiana?  
 15 A. No.  
 16 Q. Who was Jessica Kim? Was she an  
 17 employee?  
 18 A. She was a deposit operations  
 19 manager who left in 2013 -- before the merger.  
 20 Q. And she told you that she had  
 21 heard -- well, tell what was she told you  
 22 about Liberty Bank and Karen.  
 23 A. Something with that the money was  
 24 missing and she was suspected of stealing it.  
 25 But I don't think it was -- I'm not sure if it

B. LEE

was proof that she was guilty of stealing. So when I hear something like that, I don't want to repeat that to other people because I might accuse somebody of something, you know, and they're not -- for something that they might have not done. So I heard it but I didn't say that to anybody but I heard something like that.

Q. Did you hear that again during the investigation? Was that ever discussed?

A. Yes.

Q. Who was that discussed with?

A. I don't remember. But she was the first person to let go after the merger. And I heard -- I don't remember where I heard it from but there were the rumor that she had a problem -- Wilshire bought Liberty and there was a problem and she was one of the first person to let go. That's what I heard.

Q. Who did you hear that from?

A. I don't remember who I heard from it.

Q. During the course of the investigation that we've been talking about

B. LEE

that began on or about January 22nd, did you ever hear any conversations with Lisa Pai or Alicia or anyone else at the bank about the subject of Karen having embezzled from her prior bank or allegedly having embezzled from her prior bank?

A. I might have heard it but I don't remember -- I don't know if Lisa Pai mentioned it or -- I don't remember. But I might have heard it. I might have heard it. But I don't remember.

Q. Did you know that James' checking account was frozen in or around January of 2014?

A. I heard later. I didn't know at the time but I heard later.

Q. What did you hear?

A. Where?

Q. What did you hear later?

A. That he was -- he couldn't take the money out of his account. That it was frozen. It was --

Q. Who did you hear that from?

A. I might have heard from Irene.

B. LEE

I'm not sure.

Q. Did you ever learn about how that was resolved, that money -- the freezing of his checking account?

A. I heard it was released but I don't know because I wasn't -- I was not really interested in finding out so --

Q. So you don't know anything more about that.

A. No.

Q. Okay.

MR. HARVEY: Let's just take a very short break. I'm just going to organize myself. I may have no further questions. And then Mr. Yi may have some questions. We'll try to get you out of here as quickly as possible.

THE WITNESS: Okay.

(Recess taken.)

MR. HARVEY: I've concluded my questions and Mr. Yi is going to now ask you some questions.

THE WITNESS: Okay.

\* \* \*

B. LEE

EXAMINATION BY

MR. YI:

Q. Thank you. Good afternoon, Ms. Lee. My name is Michael Yi and I represent the plaintiff, Bank of Hope, as successor to Wilshire Bank.

A. Okay.

Q. The original plaintiff in this case.

First, I'd like to ask you what is your current home address.

A. 117 Aspen Court, Norwood, New Jersey, 07648.

Q. Was your previous home address 7 Broad Avenue?

A. No. That's the bank address.

Q. I see. Thank you.

A. BankAsiana.

Q. That was the address of BankAsiana's Palisades Park branch.

A. Right. Headquarter.

Q. I see.

You testified earlier, when Mr. Harvey was questioning you, that your position



1 B. LEE  
 2 or title at BankAsiana prior to the merger  
 3 with Wilshire Bank was controller, correct?  
 4 A. Right.  
 5 Q. Did you have any other title or  
 6 position at BankAsiana prior to the merger?  
 7 A. Assistant controller. I started  
 8 out as an assistant controller.  
 9 Q. Was --  
 10 A. Doing the same thing.  
 11 Q. Did you have a title of first vice  
 12 president in addition to controller?  
 13 A. Yes.  
 14 Q. I know you testified earlier about  
 15 your responsibilities as controller of  
 16 BankAsiana. If you don't mind, I'd just like  
 17 to go over that briefly. You mentioned that  
 18 as controller I believe you mentioned  
 19 financial and regulatory reporting?  
 20 A. Yes.  
 21 Q. Could you elaborate just briefly  
 22 what you meant by that.  
 23 A. Financial reporting is, you know,  
 24 doing the balance sheet, income statement.  
 25 You know, the actual financial condition of

1 B. LEE  
 2 the bank. So do it on a monthly basis or  
 3 prepare the financials and report it to the  
 4 board of directors.  
 5 And on a quarterly basis we will  
 6 do our full report, that's to the FDIC. All  
 7 the banks are required to do. So that's the  
 8 regulatory reporting.  
 9 And also I was responsible for the  
 10 annual reports. So that's the outside annual  
 11 financial statements and footnotes that goes  
 12 with it.  
 13 Q. Okay. So when you talked about  
 14 financial reporting, were you talking about  
 15 financial reporting to the board of directors  
 16 of the bank?  
 17 A. Yes.  
 18 Q. And senior management of the bank?  
 19 A. Yes.  
 20 Q. And would that include you? Were  
 21 you considered senior management at  
 22 BankAsiana?  
 23 A. No. I'll prepare it. And then  
 24 the CFO will present it to the board.  
 25 Q. And was there any financial

1 B. LEE  
 2 reporting outside the bank?  
 3 A. The regulatory reporting on  
 4 quarterly basis.  
 5 Q. Okay.  
 6 A. And the annual report that we do,  
 7 the financial statements, audited financial  
 8 statements, that will go out to the  
 9 shareholders and the regulatory agencies as  
 10 well.  
 11 Q. Okay. Did you have any other  
 12 responsibilities -- I think you mentioned -- I  
 13 believe you referred to it as HR and payroll?  
 14 A. Yes.  
 15 Q. Did you also have those  
 16 responsibilities?  
 17 A. Yes.  
 18 Q. Could you just briefly describe  
 19 what those responsibilities were.  
 20 A. I didn't have a hiring authority  
 21 but I was involved with all the process. You  
 22 know, do the interviews. And all the HR  
 23 functions. And the payroll processing. You  
 24 know, and all the benefits.  
 25 Q. Okay.

1 B. LEE  
 2 A. That kind of thing.  
 3 Q. Thank you.  
 4 All right. I'd like to now go to  
 5 your meeting with Karen Chon who is also known  
 6 as Miye Chon.  
 7 A. Okay.  
 8 Q. And you and Irene Lee's meeting  
 9 with Karen Chon on January 22nd.  
 10 A. Okay.  
 11 Q. I'd like you to take a look at  
 12 what was previously marked as Ryu Deposition  
 13 Exhibit 2.  
 14 A. Okay.  
 15 Q. Do you have that in front of you?  
 16 A. Yes.  
 17 Q. Okay. Just for the -- I just want  
 18 to make the record clear. So this is a copy  
 19 of your e-mail to Elaine Jeon and Seung Ho  
 20 Park with a copy to Irene Lee from January 22,  
 21 2014, correct?  
 22 A. Yes.  
 23 Q. And in that e-mail, you stated to  
 24 Elaine and Mr. Park: "As you have requested  
 25 over the phone earlier today, here is the



1 B. LEE  
2 summary of what we have uncovered so far.  
3 While reviewing the interest income reported  
4 on Form 1099-INT for Mr. [REDACTED], one  
5 of the former BankAsiana customers, yesterday  
6 afternoon, we have uncovered the following  
7 irregularities. The funds from the following  
8 seven CDs were transferred into the customer  
9 CD accounts, unrelated, listed below (see  
10 attached)."

11 Do you see that?

12 A. Yes.

13 Q. And the Form 1099-INT for Mr.  
14 [REDACTED] was that the 1099 that you  
15 were discussing with Mr. Harvey during this  
16 questioning?

17 A. Yes.

18 Q. And to your recollection or  
19 knowledge, was [REDACTED] one of the  
20 BankAsiana customers whose account, CD  
21 accounts, were the subject of the  
22 embezzlement?

23 A. Right.

24 Q. Okay. You go on to say in that  
25 e-mail: "In questioning these transactions,

1 B. LEE  
2 Irene Lee and I met with Karen Miye Chon  
3 former East Fort Lee operations officer this  
4 morning at Ms. Chon's request."

5 Do you see that?

6 A. Yes.

7 Q. So is it your recollection that it  
8 was Karen Chon that actually asked to meet  
9 with you and Irene Lee?

10 A. Yes. The night before when we  
11 were looking at Mr. [REDACTED] accounts that  
12 something did not look right. So I asked  
13 Irene to call Karen and then Karen was asking  
14 was it her.

15 So, you know, Irene said that was  
16 her ID that was doing the transactions. And  
17 then we had more questions later on. So I  
18 asked Irene to call and I don't know -- later  
19 on we couldn't get in touch with her. So --  
20 and then we all had to go home because after  
21 snowstorm. It was late -- it was -- I don't  
22 know -- 5:00 we went home, something -- 5,  
23 6:00. Usually I work later than that.

24 So I asked her -- I asked Irene to  
25 call Karen and ask about it. And I guess that

1 B. LEE  
2 night they spoke or the next morning when I  
3 was coming in -- I came in little late because  
4 of the snowstorm thing and Irene called me and  
5 told me that Karen asked, you know, to meet  
6 with us. She was coming to the -- to that  
7 bakery.

8 Q. Okay. And so the meeting took  
9 place at a bakery in the building where the  
10 bank branch was located.

11 A. Right.

12 Q. Okay. Let me just -- you go on to  
13 say in this e-mail: "She said that she had  
14 been stealing money from the bank for the last  
15 few years."

16 Do you see that?

17 A. Yes.

18 Q. And is that consistent with your  
19 recollection?

20 A. Yes.

21 Q. You then go on to say: "She  
22 didn't remember exactly when she had started."

23 A. Right. She said that.

24 Q. "Ms. Chon told us that she had  
25 been taking money from the bank by crediting

1 B. LEE  
2 the currency and coins account and debiting  
3 CDs."

4 Do you see that?

5 A. Yes.

6 Q. Could you just briefly tell us  
7 what you meant by that.

8 A. Like, for [REDACTED] case, or  
9 anybody else, the CD will be the credit  
10 balance on our general ledger because  
11 that's -- you know, somebody gave us some  
12 money to hold on so it's our liability.

13 So by debiting this account she's  
14 taking the money out of the CD accounts. So  
15 we will only debit that account when somebody  
16 take the money out of that account. So she'll  
17 debit that CD account and credit cash account.  
18 That means, if you just look at that, somebody  
19 withdrew money from that account. But that  
20 money, credit cash, that money did not go to  
21 the customer. She took the money.

22 Q. Right. And when you say cash  
23 account, you're referring to what was known as  
24 the currency and coins account.

25 A. Right. That was the name of the

1 B. LEE

2 general ledger account.

3 Q. Okay. And is it fair to say that  
4 when you reviewed these CD accounts and you  
5 saw this type of transaction you thought there  
6 was something unusual because customers of CD  
7 accounts customarily do not withdraw funds out  
8 of CD accounts until the maturity date?

9 A. Right. But the only thing was we  
10 did have a special promotional CD that people  
11 could take the money out from the CD account  
12 before the maturity. I don't know how many  
13 times. Like six times or whatever. So we did  
14 have that kind of promotional CD.

15 Q. And the customer CD accounts that  
16 you reviewed in connection with Karen Chon,  
17 were any of those CD accounts the promotional  
18 CD accounts that you were just mentioning?

19 A. I don't think so.

20 Q. Is it fair to say --

21 A. I don't remember if there were  
22 special CD accounts. But those are the --  
23 she -- the older accounts that she took the  
24 money out, there was like elderly senior  
25 customers who are having those CDs kept on

1 B. LEE

2 rolling over. So they're not like, you know,  
3 in need of money, they take the money out,  
4 that kind of customers.

5 Q. Okay. And when you say rolling,  
6 these customers are rolling their C --

7 A. Renew. Automatic renewal.

8 Q. So upon maturity they would roll  
9 it over into a new CD.

10 A. Right.

11 Q. You then go on to say here: "In  
12 reviewing the currency GL account, we found  
13 about 30 manual questionable credits, total of  
14 \$1.2 million ranging from \$10,000 to \$100,000  
15 from May 2011 to September 2013."

16 Do you see that?

17 A. Yes.

18 Q. And then you say: "See attached."  
19 Was there an attachment to this  
20 e-mail?

21 A. Yes.

22 Q. And do you recall --

23 A. There was an Excel spreadsheet  
24 that what I did was I just looked at all the  
25 transactions off that cash account because she

1 B. LEE

2 told us that she took the money out of that  
3 cash account. So we looked at the -- that  
4 cash account and looked at all the big items.  
5 Manual transactions. So that summary was  
6 attached.

7 Q. Okay.

8 A. It was Excel spreadsheet.

9 Q. This Excel spreadsheet summary,  
10 was that a summary that you had prepared?

11 A. Yes.

12 Q. And is it fair to say that that  
13 summary reflected the 30 manual questionable  
14 credits ranging from \$10,000 to \$100,000 from  
15 May 2012 to September 2013?

16 A. Yes.

17 Q. You then go on to say: "Ms. Chon  
18 also told us that she had been transferring  
19 funds from one CD to another to cover this  
20 shortage."

21 Do you see that?

22 A. Right.

23 Q. Do you recall anything else she  
24 told you about that?

25 A. Right. See, the way she was

1 B. LEE

2 taking the money was if somebody had \$300,000  
3 CD and maturity is in like two years, in  
4 between those maturity date and during that  
5 period she will take the money out and when  
6 it's time for the CD to mature she'll take the  
7 money out of other CD to cover it because you  
8 have to renew it, you need to have \$300,000.

9 So that's what she was doing from  
10 another CD. So she was transferring money  
11 between and then she will take the money out  
12 and, you know, before it matures she will take  
13 the money out of another CD and put it in  
14 there. That's why the 1099 interest was so  
15 small because the \$300,000 was not there the  
16 whole time.

17 Q. Okay. And the \$300,000 was not  
18 there the whole time, you're referring to one  
19 of the CD accounts that Mr. [REDACTED] had been  
20 inquiring about.

21 A. Yes. Right.

22 Q. All right. Now, you testified  
23 earlier that at this meeting Ms. Chon told you  
24 and Irene Lee that there was another person or  
25 there was -- another person at the bank who

1 B. LEE  
 2 was involved in the embezzlement. Do you  
 3 remember that?  
 4 A. Right. Yes.  
 5 Q. Could you just tell us, to the  
 6 best of your recollection, what she told you  
 7 in that regard at that meeting. As best as  
 8 you can recall.  
 9 A. She said that there was somebody  
 10 else involved with the embezzlement and -- but  
 11 she didn't say who it was. We asked and  
 12 she -- she didn't say. She didn't want to  
 13 say.  
 14 Q. Do you recall whether she told you  
 15 how this other person at the bank was involved  
 16 in the embezzlement?  
 17 A. I don't remember exactly but she  
 18 made it sound like that person gave her the  
 19 idea or they were talking together to come up  
 20 with the method or that kind of thing. But I  
 21 don't remember exactly.  
 22 Q. Okay. I'm not asking you to  
 23 speculate or guess.  
 24 A. Right.  
 25 Q. I'm asking for your best

1 B. LEE  
 2 recollection.  
 3 A. Okay.  
 4 Q. If you recall.  
 5 A. Yeah. She did say something  
 6 like -- that they talked about it but I'm not  
 7 sure. I'm not exactly sure.  
 8 Q. Now, you also testified earlier  
 9 that at this January 22 meeting with Ms. Chon  
 10 she didn't tell you who this other person at  
 11 the bank was who was involved in the  
 12 embezzlement.  
 13 A. Right.  
 14 Q. But you also mentioned earlier  
 15 that you sort of knew or suspected who that  
 16 person may have been. Do you remember that?  
 17 A. Yes.  
 18 Q. And I apologize if I'm not  
 19 accurately describing your earlier testimony.  
 20 Could you tell us what you meant  
 21 by that.  
 22 A. In that first meeting she didn't  
 23 say who it was. But I believe on the -- in  
 24 the second meeting she did mention the name I  
 25 think.

1 B. LEE  
 2 Q. Right. I understand.  
 3 A. Right.  
 4 Q. You testified earlier that at the  
 5 second meeting with Ms. Chon the following day  
 6 on January 23rd, she told you and the other  
 7 two bank employees who were present that James  
 8 Ryu was involved in the embezzlement.  
 9 I'm asking about the January 22nd  
 10 meeting. You testified that she didn't  
 11 identify the other person at the bank who was  
 12 involved in the embezzlement. But I believe  
 13 you testified earlier that even though she  
 14 didn't tell you who it was, that you knew who  
 15 she was referring to, I believe.  
 16 MR. HARVEY: Object to the  
 17 question -- the form of the question. I  
 18 don't believe that she did testify but  
 19 she can answer the question.  
 20 A. What I said was on the second day  
 21 I don't remember if she said that it was James  
 22 Ryu or we knew -- at the time we knew -- on  
 23 the second meeting while we were talking we  
 24 knew that it was James. But I didn't remember  
 25 exactly if she said James, you know. That's

1 B. LEE  
 2 what I said.  
 3 But on the first day she didn't  
 4 say.  
 5 Q. Okay.  
 6 A. She didn't want to say.  
 7 Q. When you say she didn't want to  
 8 say, is that what she told you; that she  
 9 didn't want to identify --  
 10 A. She wouldn't say. She wouldn't  
 11 say the name.  
 12 Q. Okay.  
 13 A. And at the time we were just --  
 14 everything was a shock so we -- I didn't know  
 15 what to think actually. Everything was a --  
 16 since I was in the state of shock in those few  
 17 days.  
 18 Q. Okay. Now, I just want to clarify  
 19 your participation, your work in the internal  
 20 investigation of this embezzlement.  
 21 A. Okay.  
 22 Q. Could you tell us exactly what you  
 23 were asked to do and what you did in  
 24 connection with the investigation of this  
 25 embezzlement.

1 B. LEE

2 A. Investigating exactly what  
3 happened, because on the system -- because we  
4 had a system so we could trace them. So  
5 that's what we did.

6 Q. Okay. Let me step back a second.  
7 As of January 22nd, 2014, is it  
8 fair to say that you were an employee of  
9 Wilshire Bank?

10 A. Right.

11 Q. This was after the merger.

12 A. Right.

13 Q. And do you remember what your  
14 title or position was at Wilshire Bank at that  
15 time?

16 A. Home mortgage coordinator I think.  
17 And I was assistant to Mr. Park, the regional  
18 bank -- regional director.

19 Q. And you testified earlier, I  
20 believe, that you reviewed the CD accounts  
21 that were the subject of the embezzlement?

22 A. Yes.

23 Q. How did you do that?

24 A. How did I do that? I started with  
25 Mr. [REDACTED] and I traced the -- with the

1 B. LEE

2 transactions, all the transactions, debits and  
3 credits, and I followed that.

4 And on that meeting with Karen I  
5 asked her who else, you know -- whose account  
6 did she took the money out. And she gave me a  
7 list of one or two person's name. So with  
8 that [REDACTED] and that person, I was tracing all  
9 the debits and credits. And we were able to  
10 see -- you know, I just follow all the debits  
11 and credits and then I came up with the list.

12 Q. Okay. I'm just trying to clarify.  
13 I understand that Irene Lee was also assisting  
14 in the investigation.

15 A. Yes.

16 Q. So I'm trying to understand what  
17 you did, what Irene Lee did, in terms of  
18 reviewing the CD accounts. Are you able to  
19 tell us what you did?

20 A. Okay. What I did was --  
21 everything was on the system. That part I  
22 did. You know, tracing all the transactions,  
23 debits and credits, and see who else is  
24 involved. You know, I mean, in terms of  
25 customers' accounts. So anything I could

1 B. LEE

2 see -- see, I had access to this system so  
3 that's where I helped.

4 And Irene was at the branch -- she  
5 was helping with this system side also because  
6 it's -- takes a lot of time to trace things.  
7 You know, you have to look for all the  
8 transactions in the system.

9 And also she had -- she was  
10 helping Alicia and the other guy, Orest, the  
11 internal auditor at the branch. So at the  
12 branch they will have the physical documents  
13 as well. So she was helping with that as  
14 well.

15 Q. So in reviewing these CD accounts  
16 and the transactions, credits and debits, you  
17 mentioned you were using the system.

18 A. Right.

19 Q. What are you referring to when you  
20 say system?

21 A. General ledger system. Deposit  
22 system. And all the reports.

23 Q. And are you referring to -- when  
24 you say systems, are you referring to a  
25 particular computer program or software?

1 B. LEE

2 A. Yes.

3 Q. Do you recall what that was call?

4 A. Jack Henry.

5 Q. And was that a computer program or  
6 software that was used by BankAsiana?

7 A. Yes.

8 Q. Prior to the merger?

9 A. Yes.

10 Q. And was that program or software  
11 being used by Wilshire Bank after the merger?

12 A. Until they did the conversion in  
13 November of 2014. I think November --  
14 beginning of November was the conversion date.

15 Q. So as of January 2014 the Jack  
16 Henry computer software was still being used  
17 by Wilshire Bank?

18 A. It wasn't being used because we  
19 converted to their system I believe but we had  
20 access to all the information.

21 Q. Okay. When you said November 2014  
22 earlier were you referring to November 2013?

23 A. Yeah, November 2013. Sorry.

24 Q. All right. But is it fair to say  
25 that you were familiar with that software,

1 B. LEE

2 Jack Henry?

3 A. To a degree. But the deposit  
4 system, Irene was more familiar with it. But  
5 I do inquiries. So...

6 Q. And was there any other soft --  
7 computer software program that you utilized in  
8 reviewing the CD accounts and the credits and  
9 debits transactions in those accounts?

10 A. No. Just the Jack Henry has  
11 everything. General ledger report. Audit  
12 reports. And deposit system. Loan system.

13 Q. Did you review the bank system to  
14 look for any backup documents such as deposit  
15 slips, withdrawal slips?

16 A. Yeah. Deposit slips, those  
17 things -- withdrawal slips, those things are  
18 all physical I think. You know, those at --  
19 the branch they will have it. So I'll get  
20 help from Irene or the people -- Irene will  
21 talk to somebody at the branch I think.

22 Q. Other than the physical hard copy  
23 documents, do you recall whether BankAsiana  
24 had a computer software program that allowed  
25 someone at the bank to access any backup

1 B. LEE

2 documents?

3 A. It's the Jack Henry system that  
4 has I think deposits, check copies. That's  
5 still Jack Henry system. Within the Jack  
6 Henry they have bank statement -- I don't  
7 remember the name of the system but it's all  
8 Jack Henry system. Just the checks, copy of  
9 the checks. I think those are -- yeah,  
10 deposit slip also I think.

11 Q. Do you remember a computer  
12 software or a program that was being used at  
13 BankAsiana called Synergy or Synergy?

14 A. Synergy is the Jack Henry report  
15 system.

16 Q. Okay.

17 A. Everything that we use is Jack  
18 Henry.

19 Q. Okay.

20 A. I think it's -- it's deposit slips  
21 and checks. I think it's called Foresight and  
22 I don't remember the spelling but that's also  
23 Jack Henry.

24 Q. Okay. I'd like to now turn to  
25 what was previously marked as Deposition

1 B. LEE

2 Exhibit Ryu 3. Do you have that in front of  
3 you?

4 A. Yeah.

5 Q. And I'll represent to you that  
6 Deposition Exhibit Ryu 3 is a copy of Elaine  
7 Jeon's memorandum to -- I'm sorry -- Alicia  
8 Lee's memorandum to Elaine Jeon from January  
9 23rd, 2014. And the subject is BA, or  
10 BankAsiana, Unauthorized CD Withdrawal  
11 Incident.

12 Do you see that?

13 A. Yes.

14 Q. Okay. I'd like to go over this  
15 with you.

16 In the first paragraph Alicia Lee  
17 states in this memorandum: "This afternoon  
18 after my arrival at South Palisades Park  
19 branch at around 12:12 p.m. Irene Lee,  
20 Bo-Young Lee, and I had a meeting with Karen  
21 Chon, former BA employee that had been  
22 involved in the unauthorized withdrawals of  
23 funds from customers' CD."

24 Do you see that?

25 A. Yes.

1 B. LEE

2 Q. Is that statement accurate?

3 A. Yes.

4 Q. The next: "The details of the  
5 interview will be submitted separately, but to  
6 summarize today interview, Karen Chon  
7 confessed that the unauthorized transactions  
8 were her wrongdoing and that the funds were  
9 delivered to James Ryu BACOA."

10 Do you see that?

11 A. Yes.

12 It's COO.

13 Q. That should have been COO. Do you  
14 believe that that was a typographical error?

15 A. I don't know.

16 Q. But your understanding is that  
17 James Ryu was BankAsiana's COO, correct?

18 A. Um-hum, yes.

19 Q. And other than that COA, is this  
20 statement accurate, to your knowledge?

21 MR. HARVEY: Object to the form of  
22 the question.

23 A. Yeah. But that he -- she said  
24 that -- this one looks like the funds were all  
25 delivered to James Ryu. But she said that he



1 B. LEE

2 was involved and she had given him the money.  
3 I guess some funds were delivered. Or given  
4 to James Ryu. I don't know if that makes a  
5 difference.

6 Q. Okay. At that meeting do you  
7 recall Karen telling you and the others the  
8 circumstances under which she began to  
9 embezzle money from the bank?

10 A. No, I don't think so.

11 Q. Do you remember her telling you or  
12 the others at that meeting why she was making  
13 unauthorized transactions or withdrawals from  
14 the CD accounts and delivering funds from  
15 those withdrawals to Mr. Ryu?

16 A. Why?

17 Q. Yes.

18 A. I don't think she said why. She  
19 just said that she did give money to him. But  
20 I don't remember her telling us why.

21 Q. Okay. Did you or Alicia Lee or  
22 Irene Lee ask at that meeting why she was  
23 making unauthorized withdrawals from customer  
24 CD accounts and taking those funds and  
25 giving -- delivering them to Mr. Ryu?

1 B. LEE

2 A. I don't remember but I must have  
3 asked. I guess that would be the first  
4 question why she would do that. Why she would  
5 take the money. And -- but I don't think I  
6 got the answer why. But she just mentioned  
7 that James was involved and that she had given  
8 money to him. But she didn't say -- I don't  
9 remember why.

10 Q. Okay. Do you have any  
11 recollection as to whether Ms. Chon told you  
12 or the others when she started delivering  
13 money to Mr. Ryu?

14 A. When she started?

15 Q. Yes.

16 A. I don't remember. She just  
17 said -- the way I remember is just, you know,  
18 on various occasions that she did give money  
19 to James. And I don't recollect anything on  
20 when or why.

21 Q. Do you remember at all whether Ms.  
22 Chon mentioned an employee dinner, which --  
23 that something happened at that dinner that  
24 began her delivery of monies to Mr. Ryu?

25 A. She did say that. She did say

1 B. LEE

2 that there was something happened that -- at  
3 the dinner but she didn't say what it was.  
4 That -- yeah, she did say that. She did say  
5 something --

6 Q. Could you tell us to the best of  
7 your recollection what you remember her  
8 telling and you the others at that meeting  
9 about that.

10 A. She said something had happened at  
11 the dinner; that Mr. Ryu found out or saw or  
12 something, that he had a knowledge of that;  
13 that she -- I guess something not good that  
14 she wanted to be known that he had a knowledge  
15 that -- that he was holding against her kind  
16 of thing. But that's why she start giving him  
17 money I think. She did say something like  
18 that.

19 Q. Do you have any recollection,  
20 either at the January 22nd meeting or the  
21 January 23rd meeting, of Karen Chon telling  
22 you or Irene Lee or Alicia Lee that she had  
23 been making unauthorized withdrawals from her  
24 sister-in-law's bank account and her husband's  
25 business partner's bank account?

1 B. LEE

2 A. I don't remember her sister-in-law  
3 but there was somebody that she was doing the  
4 banking -- either banking for the person or  
5 she was writing checks for the person. Yeah,  
6 there was something but I don't remember  
7 exactly.

8 Q. Does the name Eunchul Paec ring a  
9 bell?

10 A. Yeah. Something like that.

11 Q. Was that -- do you recall whether  
12 that gentleman was Karen Chon's husband's  
13 business partner?

14 A. Yeah. They had some kind of  
15 business relationship. I think the way I  
16 remember was -- now that you mention his name,  
17 that he had an installment loan -- installment  
18 CD kind of thing, that it's someone's CD that  
19 she's been making payments. Then at one time  
20 I think she withdraw money from that account.  
21 I think.

22 Q. Was Mr. Eunchul Paec's installment  
23 CD account one of the CD accounts that you  
24 reviewed in connection with your investigation  
25 of the embezzlement?



1 B. LEE  
2 A. Yeah. I did. I did look at that  
3 account.  
4 Q. Do you recall the same Soryo Kim?  
5 A. I don't remember. Yeah. I looked  
6 at a lot of the accounts but I don't remember  
7 that name.  
8 Q. Did Karen Chon mention to you that  
9 she had made unauthorized withdrawals from any  
10 bank accounts or CD accounts other than Mr.  
11 Eunchul Paec?  
12 A. Yeah. Like [REDACTED] --  
13 Q. And other than the CD accounts  
14 that you had testified to earlier.  
15 A. I don't recall.  
16 Q. You don't recall the name Soryo  
17 Kim?  
18 A. No. No. You see, the thing is I  
19 remember vaguely -- I didn't know about all  
20 the relationship with her and her relatives or  
21 friends. So I might have looked at the  
22 account but not realizing who it was and I  
23 might have heard it later on but I don't  
24 recall -- I vaguely remember something but I  
25 don't -- I'm not sure.

1 B. LEE  
2 because of his knowledge of whatever happened  
3 at the meeting -- at the dinner, that, you  
4 know, I just got that impression that she was  
5 kind of feel threatened to deliver the money.  
6 But that was just an impression I got. But I  
7 don't remember the exact -- exactly what was  
8 said.  
9 Q. Okay. Let's get to the next  
10 paragraph in this memorandum. Alicia Lee then  
11 states: "The initial contact was made by Mr.  
12 Ryu who had asked Karen for personal loan to  
13 which she responded no but she had asked her  
14 if there was any way that we could facilitates  
15 \$10,000."  
16 Do you see that?  
17 A. Um-hum.  
18 Q. Do you recall discussion about  
19 that at this meeting?  
20 A. Like I said before, you know,  
21 after I read this one, I remember vaguely  
22 about the loan kind of situation. And -- but  
23 I don't remember, like, you know, exact amount  
24 \$10,000 or anything like that. But he had I  
25 think little bit of financial difficulties at

1 B. LEE  
2 Q. You testified earlier that you  
3 remember Karen Chon telling you at the January  
4 23rd meeting that she had done something and  
5 that Mr. Ryu knew about it. Do you remember  
6 anything else about what she had done that Mr.  
7 Ryu was aware of?  
8 A. I didn't know what it was.  
9 Q. Did she tell you what it was?  
10 A. No.  
11 Q. And do you remember anything else  
12 about Karen Chon telling you what Mr. Ryu may  
13 have said at this employee dinner?  
14 A. No.  
15 Q. Do you recall anything that she  
16 told you about what Mr. Ryu may have said at  
17 that employee dinner?  
18 A. I don't remember. Sorry. I don't  
19 recall.  
20 Q. Okay. Do you have any  
21 recollection of Karen Chon telling you that  
22 she began to deliver money to Mr. Ryu from the  
23 embezzlement because he had threatened her or  
24 blackmailed her?  
25 A. I don't recall anything. But

1 B. LEE  
2 the time I think. But I don't remember the  
3 details.  
4 Q. When you say you believe Mr. Ryu  
5 had financial difficulties at that time, could  
6 you clarify or elaborate on what you mean by  
7 that.  
8 A. I think he had asked few people at  
9 the bank for loan. But I don't remember when  
10 it was. But maybe not -- I don't know when  
11 that was but he had asked for loans from  
12 employees.  
13 Q. Is it fair to say that that would  
14 have been prior to the merger with Wilshire  
15 Bank?  
16 A. Yes.  
17 Q. Do you believe it was sometime in  
18 2013?  
19 A. I don't remember.  
20 Q. Okay.  
21 A. I don't know exactly when.  
22 Q. Did Mr. Ryu ever ask you for a  
23 personal loan?  
24 A. Yes. I told him no.  
25 Q. Do you recall how many times?

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1 B. LEE  
 2 A. Just once.  
 3 Q. Could you tell us what you  
 4 remember.  
 5 A. He had asked for a loan. So I --  
 6 I don't remember the amount. Few thousand  
 7 dollars. So I told him that I'll have to talk  
 8 to my husband. And I thought about that and I  
 9 told him that was not a good idea to have,  
 10 like -- you know, to lend him the loan as a,  
 11 you know, co-worker. And with the -- he was  
 12 the big boss at the bank. So I didn't think  
 13 it was a good idea to lend him money. And he  
 14 said no problem.  
 15 Q. Do you remember when that was?  
 16 A. I don't remember when that was.  
 17 Q. Is it fair to say that it was  
 18 prior to the merger with Wilshire Bank?  
 19 A. Yes.  
 20 Q. To your knowledge, did Mr. Ryu ask  
 21 anyone else at the bank for a personal loan?  
 22 A. Yes.  
 23 Q. Who else?  
 24 A. Jessica Kim. And Chan Lai Park.  
 25 And I heard Mr. Hur, the CEO. But I didn't

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1 B. LEE  
 2 we can. Do you know how the spell that  
 3 person's name?  
 4 A. C-H-A-N, L-A-I, P-A-R-K.  
 5 Q. So the last name is Park?  
 6 A. Yes. It's she.  
 7 Q. Okay. And what do you remember  
 8 about Mr. Ryu asking her for a personal loan?  
 9 A. I just heard that he had asked her  
 10 for a loan also. That's all I know.  
 11 Q. And is that based on what Ms. Park  
 12 told you?  
 13 A. At the time I think I heard it  
 14 from either -- I probably heard it from  
 15 Jessica Kim. I don't remember. But I did  
 16 hear that.  
 17 Q. And do you have any recollection  
 18 as to how much he had -- Mr. Ryu had asked Ms.  
 19 Park?  
 20 A. No. I don't know.  
 21 Q. And do you recall anybody else?  
 22 A. Mr. Hur.  
 23 Q. Mr. Hur, that's H-U-R, correct?  
 24 A. Right.  
 25 Q. And that's his last name.

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1 B. LEE  
 2 hear from Mr. Hur or Chan Lai Park. Actually,  
 3 Chan Lai Park I did hear from her later on but  
 4 I never...  
 5 Q. Okay. So let's first take Jessica  
 6 Kim.  
 7 A. Um-hum.  
 8 Q. What do you remember about Mr. Ryu  
 9 asking Jessica Kim for a personal loan?  
 10 A. I think it was probably at the  
 11 same time. She told me that. So it must  
 12 have -- so it was -- it must have been in  
 13 20 -- before January 2013 because that's when  
 14 she left the bank. So she told me that he had  
 15 asked for a loan -- to borrow money from her.  
 16 Q. And do you recall how -- whether  
 17 she told you how much he had asked to borrow?  
 18 A. I don't remember exactly but not a  
 19 lot. Like, couple thousand or something. I  
 20 don't know. I don't remember.  
 21 Q. Okay.  
 22 A. He might have not have specified  
 23 the amount. I don't know.  
 24 Q. Okay. The second person you  
 25 mentioned -- we need to spell out his name if

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1 B. LEE  
 2 A. Right.  
 3 Q. And Mr. Hur was president and CEO  
 4 of BankAsiana.  
 5 A. Right.  
 6 Q. What do you remember about Mr.  
 7 Hur?  
 8 A. I think I might have heard it from  
 9 Jessica Kim also that James had asked for a  
 10 loan from him.  
 11 Q. And do you remember how much he  
 12 had asked Mr. Hur for?  
 13 A. No.  
 14 Q. Any other --  
 15 A. That's all I know.  
 16 Q. Did BankAsiana have an employee  
 17 loan program, to your knowledge?  
 18 A. I think we did.  
 19 Q. Do you recall whether Mr. Ryu had  
 20 taken an employee loan from BankAsiana during  
 21 his employment with the bank?  
 22 A. I think so. I don't remember the  
 23 amount but he -- I think he did.  
 24 Q. And do you recall the -- sort of  
 25 the maximum amount that an employee could

1 B. LEE  
 2 borrow from the bank?  
 3 A. I don't remember. I don't  
 4 remember if there was a maximum amount.  
 5 But -- I don't think it was a lot. I don't  
 6 know. 20,000. You know, 50 -- I don't  
 7 remember. But it wasn't -- it wasn't a lot.  
 8 Q. Okay. I'd like to just move onto  
 9 the next section of this memorandum. "Since  
 10 then she had provided Mr. Ryu with cash  
 11 whenever he had asked for it and he had always  
 12 made contact with her through company phone  
 13 and never over her personal home or cell phone  
 14 number."  
 15 Do you see that?  
 16 A. Um-hum.  
 17 Q. Okay.  
 18 A. Yes.  
 19 Q. Now, the cash that's referred to  
 20 in this paragraph, is it your understanding  
 21 that Ms. Chon was referring to cash that was  
 22 the proceeds of the embezzlement that she had  
 23 admitted to?  
 24 A. That was the impression that we  
 25 got.

1 B. LEE  
 2 either the yellow one that everybody use, you  
 3 know, from Staples with the holes. You know,  
 4 the one with the lines. We use that one. And  
 5 also we will use any envelope and put the --  
 6 you know, lines, you know, and use it as an  
 7 inter-office envelope.  
 8 Q. When Ms. Chon told you about the  
 9 delivery of the cash, sums of cash to Mr. Ryu,  
 10 did she mention delivering the cash in that  
 11 yellow inter-office envelope?  
 12 A. Yes. Um-hum. It could be yellow  
 13 or white, you know.  
 14 Q. And do you recall whether during  
 15 your tenure at BankAsiana there was a monthly  
 16 meeting at Palisades Park headquarters of the  
 17 bank?  
 18 A. Yeah. We used to have managers  
 19 meeting on monthly basis.  
 20 Q. And do you recall whether Ms. Chon  
 21 attended those meetings on a monthly basis?  
 22 A. There are a lot of -- used to have  
 23 all employee meetings also. And, yeah, there  
 24 was some -- if there was all employees, she  
 25 would attend that.

1 B. LEE  
 2 Q. Right. So is it fair to say that  
 3 she would withdraw -- make unauthorized  
 4 withdrawals from CD accounts and then have a  
 5 credit indicated on the cash and coins account  
 6 and then take the cash out of the bank's  
 7 vault?  
 8 A. Yes.  
 9 Q. And so the cash that's referred to  
 10 here would have been sums of cash that she  
 11 removed from the bank vault.  
 12 A. Yes.  
 13 Q. As part of the embezzlement.  
 14 A. Right.  
 15 Q. And could you describe to us this  
 16 inter-office bank envelope that you referred  
 17 to earlier today.  
 18 A. When I said inter-office envelope,  
 19 she didn't send it -- she used that  
 20 inter-office envelope but she didn't send it  
 21 inter-office. She didn't send the cash to  
 22 inter-office.  
 23 You know, she will put it in  
 24 the -- I remember her saying she'll put the  
 25 money in the inter-office envelope. It's

1 B. LEE  
 2 Q. And do you recall how often the  
 3 employee meetings were?  
 4 A. Well, they were different at  
 5 times. At one time we used to have monthly.  
 6 Then sometimes it's quarterly. It wasn't --  
 7 yes, I don't remember exactly. But...  
 8 Q. Okay.  
 9 MR. YI: We'll just go off the  
 10 record for a second.  
 11 (Discussion held off the record.)  
 12 BY MR. HARVEY:  
 13 Q. The next paragraph of this  
 14 memorandum states: "The deliveries of the  
 15 funds were always in cash according to Karen  
 16 Chon and that either it was delivered personal  
 17 by her or Mr. Ryu would stop by at her branch  
 18 to pick it up."  
 19 Do you see that?  
 20 A. Yes.  
 21 Q. And is that consistent with your  
 22 recollection?  
 23 A. Yes.  
 24 Q. Next is: "As per Karen's  
 25 statement, Mr. Ryu mentioned to her that he

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1 B. LEE  
 2 would compensate her for her help."  
 3 Do you see that?  
 4 A. Yes.  
 5 Q. You testified earlier that you do  
 6 not have any recollection of Karen Chon  
 7 discussing that at the meeting; is that  
 8 correct?  
 9 A. Right. I don't recall that  
 10 comment.  
 11 Q. Okay. But is it fair to say that  
 12 at that meeting she told you that of the funds  
 13 that were embezzled, the cash sums of money  
 14 that were removed from the bank's cash vault,  
 15 that she gave some of the cash -- sums of cash  
 16 to Mr. Ryu but that she also kept some for  
 17 herself?  
 18 A. Right.  
 19 Q. Did she tell you at that meeting  
 20 approximately how much she gave to Mr. Ryu and  
 21 how much she kept for herself?  
 22 A. I don't remember. I don't  
 23 remember. I don't remember --  
 24 Q. When you say you don't remember,  
 25 do you mean you don't remember how much or

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1 B. LEE  
 2 whether she told you or not?  
 3 A. Both. I don't recollect if she  
 4 ever said that or not.  
 5 Q. Do you have any recollection of  
 6 anyone asking her at this meeting how much she  
 7 had embezzled from the bank, how much she had  
 8 kept for herself of that amount, and how much  
 9 she had given to Mr. Ryu?  
 10 A. I don't recollect. I know she did  
 11 mention -- she estimated it to be certain  
 12 amount in the first meeting. And on the  
 13 second meeting when we asked her all the  
 14 questions she -- she didn't -- the amount she  
 15 estimated that she took was less than what I  
 16 knew at that time because based on my  
 17 preliminary investigation, it was 1.2 million.  
 18 But when I told her it was that much -- at  
 19 first we asked her how much. Then I think  
 20 she -- she didn't say -- whatever the amount  
 21 she came up with was a lot less than what I  
 22 came up with. So when I told her that it was  
 23 1.2 million or something, then she said she  
 24 was surprised to -- that it was that much.  
 25 Q. All right. Let me move onto the

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1 B. LEE  
 2 next paragraph of this memorandum.  
 3 "Her recollection of the accounts  
 4 affected were," and I believe there's a typo  
 5 there where it says "where," "which she  
 6 approximates at around \$1 million."  
 7 Do you see that?  
 8 A. Yes.  
 9 Q. Is that consistent with your  
 10 recollection of the meeting?  
 11 A. On the second meeting I don't  
 12 remember what she said. But she -- whatever  
 13 she estimated was less than what I came up  
 14 with, which was 1.2 million. But I don't  
 15 recollect it was \$1 million.  
 16 But the day before it was -- I  
 17 thought it was less than that but I don't  
 18 recollect the amount because I did ask her.  
 19 Q. All right.  
 20 The next paragraph states:  
 21 "During the interview, we have uncovered that  
 22 Karen Chon has taken funds from customers' CDs  
 23 for her husband's business use."  
 24 Is that consistent with what she  
 25 told you at the meeting?

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1 B. LEE  
 2 A. Yes.  
 3 Q. "She admitted forging her  
 4 husband's signature as well as..." and  
 5 there's a redaction there, someone's signature  
 6 "...to issue checks from her husband's  
 7 business account."  
 8 Do you recall her telling you that  
 9 at the meeting?  
 10 A. I don't recall the forging part.  
 11 But she was doing all the bookkeeping for her  
 12 husband's business but I don't recall forging  
 13 her husband's signature.  
 14 Q. At some point during your  
 15 investigation of the embezzlement, did you  
 16 learn that Karen Chon had forged her husband's  
 17 signature and her husband's business partner's  
 18 signature?  
 19 A. I don't recall forging part but  
 20 that she was doing the bookkeeping for the  
 21 business. I don't know if it's -- I don't  
 22 remember. But what she said was she said her  
 23 husband had no knowledge of all this and she  
 24 was really worried.  
 25 Q. Okay. Alicia Lee goes on to state

1 B. LEE  
2 in this memorandum: "We have detected unusual  
3 transactions dating back to 2010."

4 Is that consistent with your  
5 recollection of the discussions at the  
6 meeting?

7 A. I don't remember. I don't  
8 recollect if it was 2010. But from my  
9 investigation it was, you know, 2011. And  
10 Karen did not remember exactly when she  
11 started it.

12 Q. Okay.

13 A. That much I remember.

14 Q. Okay. Alicia Lee goes on to  
15 state: "Transactions total from 2010 to 2013  
16 has added up to \$3 million but we still need  
17 to verify the amount. Transactions for 2013  
18 only amounts to \$1.9 million."

19 Do you see that?

20 A. Yes.

21 Q. Is that consistent with your  
22 recollection of what was discussed at the  
23 meeting?

24 A. No. She must have wrote this  
25 based on what she found or -- because the way

1 B. LEE

2 I remember, she -- Karen didn't -- whatever  
3 her estimated embezzlement amount was less  
4 than what I came up with, \$1.2 million. And,  
5 you know, I don't know how Alicia came up with  
6 the \$3 million and \$1.9 million. That must be  
7 all the trans -- the sum of all the  
8 transactions because the one I came up with,  
9 the 1.2 was not the sum of all the  
10 transactions. The suspected items that I came  
11 up with was \$1.2 million.

12 Q. Perhaps I can rephrase the  
13 questions.

14 What I just read to you, is that  
15 consistent with your recollection of your  
16 discussions with Alicia Lee and Irene Lee  
17 sometime following the meeting with Karen  
18 Chon?

19 A. No. We didn't -- see, she must  
20 have came up with this amount based on  
21 whatever we provided. But she's the one who  
22 came up with this amount.

23 Q. Is it fair to say that the review  
24 of the CD accounts as part of the  
25 investigation of the embezzlement concerned or

1 B. LEE  
2 totaled some \$3 million?

3 A. Say that again. The total CDs  
4 involved?

5 Q. I'm not talking about what you  
6 ultimately determined were the subject of the  
7 embezzlement.

8 A. Uh-huh.

9 Q. I'm asking in terms of your review  
10 to determine the extent of the embezzlement,  
11 were you were looking at the CD accounts --

12 A. It could be.

13 Q. -- and the total amount of all the  
14 CD accounts totaled some \$3 million?

15 A. It could be. But I wouldn't know.  
16 I don't remember.

17 Q. Okay. And in the last sentence of  
18 this memorandum Alicia Lee states: "The exact  
19 amount hasn't been verified yet, but we are  
20 suspecting that it is at least \$1.9 million."

21 Do you see that?

22 A. Yes, I see it.

23 Q. And is that consistent with your  
24 recollection of what was being discussed among  
25 you, Alicia Lee, and Irene Lee at that time?

1 B. LEE

2 A. She didn't come up -- she came up  
3 with that amount. Like I said before, I --  
4 based on what I did, I gave her all the  
5 documentation. So she's the one who came up  
6 with the \$1.9 million.

7 So she didn't -- we didn't discuss  
8 it and come up with that amount. She did.  
9 Based on all the documentation.

10 Q. And it's your testimony that --  
11 your recollection is that your preliminary  
12 finding was that the total amount of  
13 embezzlement was some \$1.2 million.

14 A. Right. But that was a very  
15 preliminary on the day -- you know, on the  
16 22nd, based on just those CDs. So she could  
17 be right but I wouldn't know.

18 Q. Okay. Is it fair to say that your  
19 participation in the investigation of the  
20 embezzlement focused on reviewing of customer  
21 CD accounts?

22 A. Yes.

23 Q. And the bank account or accounts  
24 of Mr. Ryu and Ms. Chon?

25 A. Yes.



1 B. LEE

2 Q. And is it fair to say that your  
3 participation in the investigation of this  
4 embezzlement did not concern Mr. Ryu in  
5 particular other than reviewing his bank  
6 account or accounts?

7 MR. HARVEY: Object to the form of  
8 the question.

9 A. I didn't quite understand what you  
10 mean.

11 Q. Did anyone at the bank ask you to  
12 do anything in terms of the investigation of  
13 the embezzlement to determine whether Mr. Ryu  
14 was involved in the embezzlement and the  
15 extent of his involvement in the embezzlement?

16 A. No, they didn't ask me. Like I  
17 said before, I was just looking at all the  
18 CDs. Started out with few CDs and then I just  
19 trace it to -- I trace all the debits and  
20 credits. And because Karen said that James  
21 was involved, so I looked at those accounts.

22 Q. Okay. Now, you testified earlier  
23 that you believe that Mr. Ryu had financial  
24 difficulties and you didn't remember the time  
25 frame but you believed that it was sometime

1 B. LEE

2 prior to the merger, the bank's merger with  
3 Wilshire Bank. Do you remember that?

4 A. Yes.

5 Q. Could you just tell us as best as  
6 you recall, what's the basis of your statement  
7 that you believed that he was having financial  
8 difficulties at the time? What do you  
9 remember?

10 A. It's something that I -- I didn't  
11 hear from James but it was just people were --  
12 I just heard from people that he was -- he  
13 took over the beauty salon and also he was  
14 doing, I think, café. But I don't -- I don't  
15 know the details of his financial  
16 difficulties. But I heard that he was having  
17 financial difficulties. You know, I heard  
18 that when he was asking for loans. That's  
19 what I heard.

20 Q. Did Mr. Ryu ever tell you that he  
21 was having financial difficulties because of  
22 his businesses?

23 A. No. No, he didn't.

24 Q. Do you remember the name of the  
25 beauty salon that you visited on the one

1 B. LEE

2 occasion on Sunday afternoon?

3 A. Not sure. But I might have Luxe  
4 in it. You know, I don't know if that was a  
5 full name. I'm not sure. It was in  
6 Edgewater.

7 Q. When you say Edgewater, you're  
8 referring to Edgewater, New Jersey?

9 A. Yes.

10 Q. And when you say Luz are you  
11 spelling that L-U-Z?

12 A. No. L-U-X-E. Luxe. I'm not  
13 sure. I'm not sure of the spelling and I'm  
14 not sure of the name. Because I only visited  
15 one time. I don't remember the name.

16 Q. When you visited the beauty salon  
17 on that one occasion on a Sunday afternoon and  
18 Mr. Ryu asked for your advice in terms of  
19 accounting or bookkeeping in connection with  
20 his beauty salon business, do you remember him  
21 telling you whether he was having financial  
22 difficulty?

23 A. No.

24 Q. And you mentioned the café. What  
25 do you know about the café?

1 B. LEE

2 A. There was a coffee shop that I  
3 think his wife and he was operating.

4 Q. And do you remember the name of  
5 the coffee shop or café?

6 A. It used to be Kudo Beans but I  
7 don't know if that was the name of the café.  
8 He took it over -- I think he took over the  
9 coffee shop. But I don't -- at one time it  
10 used to be Kudo Beans. But I don't remember  
11 if it was the same name afterward. After he  
12 took over.

13 Q. And by Kudo, is that K-U-D-O?

14 A. I don't know if it's K-O-O or K-U.

15 Q. And what, if anything, do you  
16 recall about Mr. Ryu's coffee shop business or  
17 café business?

18 A. We went there couple of times.  
19 You know, at lunch or, you know, dinner.

20 Q. Did you have any discussions with  
21 Mr. Ryu during your tenure at the bank about  
22 his coffee shop business?

23 A. Well, he was excited about the new  
24 business his wife was doing and I think he  
25 used to cook there also after work I think.



1 B. LEE

2 Q. And do you recall having  
3 discussions with anyone else at the bank about  
4 Mr. Ryu's coffee shop business?

5 A. Well, just casual discussions  
6 that, you know -- because since they opened up  
7 a new business, everybody, you know, went  
8 there, you know. So other than that...

9 Q. And do you recall any discussions  
10 with anyone about Mr. Ryu having financial  
11 difficulties as a result of the coffee shop?

12 A. I don't know if it was related to  
13 the coffee shop or the beauty salon. But I  
14 heard that he was having financial  
15 difficulties. That's what I heard.

16 Q. When Mr. Ryu asked you for a  
17 personal loan --

18 A. Yes.

19 Q. -- did he tell you why he needed  
20 the money?

21 A. I don't remember. I don't  
22 remember if he told me or not.

23 Q. Okay.

24 A. But I didn't want to get into it  
25 too much detail because, you know, I wasn't

1 B. LEE

2 asking any question because I felt  
3 uncomfortable doing any financial transaction  
4 with the employees.

5 Q. Okay.

6 MR. YI: I think if we can take a  
7 quick break I'd just like to review my  
8 outlines.

9 MR. HARVEY: Sure.

10 (Recess taken.)

11 BY MR. YI:

12 Q. Ms. Lee, I'd like to go back to  
13 your earlier testimony about your meeting with  
14 Lisa Pai.

15 A. (Witness nods.)

16 Q. In-house counsel with Wilshire  
17 Bank. Then Wilshire Bank.

18 A. Okay.

19 Q. You mentioned that during the  
20 meeting that Ms. Pai was playing with her  
21 phone. Are you talking about her smartphone?

22 A. Yes.

23 Q. You don't know whether Ms. Pai was  
24 recording her conversation with you at that  
25 time, correct?

1 B. LEE

2 A. I don't know.

3 Q. Is it fair to say that it was just  
4 a speculation on your part?

5 A. Yes. It was a speculation based  
6 on, you know, the first meeting that I had  
7 with Karen and Irene and she was playing with  
8 it and I thought that was -- you know, that  
9 caught my attention that she was playing with  
10 it. But I never thought that she would record  
11 it.

12 And when I found out that -- I  
13 remember each time when I spoke with them,  
14 they were playing with the phone. They had  
15 their phones on -- in their hands. So I was  
16 speculating that they might be -- they might  
17 have recorded everything.

18 Q. Okay. When you say "they" who are  
19 you referring to?

20 A. Alicia Lee and Lisa Pai.

21 Q. Okay. I'm now talking about your  
22 meeting with Lisa Pai. There was no one else  
23 at this meeting, right?

24 A. Right.

25 Q. It was just you and Ms. Pai,

1 B. LEE

2 right?

3 A. Right.

4 Q. And Ms. Pai never told you that  
5 she was recording her conversation with you.

6 A. Right.

7 Q. And is it fair to say that other  
8 than you seeing her playing with her  
9 smartphone, there's no -- there's nothing to  
10 indicate that she did, in fact, record the  
11 conversation, right?

12 A. Right.

13 Q. Okay. Did you ever ask her during  
14 the meeting whether she was recording the  
15 conversation?

16 A. No. Because it never occurred to  
17 me that anybody would be recording our  
18 conversation.

19 Q. Okay. So other than you seeing  
20 her -- observing her playing with her  
21 smartphone during the meeting, is there  
22 anything else that leads you to speculate that  
23 she may have recorded the conversation?

24 A. No.

25 Q. Okay. Back to your meeting with

1 B. LEE  
2 Karen Chon, January 23rd, 2014. You went over  
3 what was discussed at that meeting, what Karen  
4 Chon told you and Alicia Lee and Elaine at  
5 that meeting.  
6 Do you recall Karen Chon telling  
7 you anything about someone named Michael Kim?  
8 A. She might have but I don't recall  
9 anything. I know the name.  
10 Q. Do you recall at some point during  
11 that meeting or interview of Ms. Chon, one of  
12 you, either you, Irene Lee, or Alicia Lee,  
13 asking a question something in substance does  
14 this belong to Michael Kim, CEO?  
15 A. No. CEO? Michael Kim was a  
16 broker that I thinking about.  
17 Q. Okay. So let's first talk about  
18 whether you have any recollection from that  
19 meeting on January 23rd, 2014 of Karen Chon  
20 being asked about Michael Kim or Karen Chon  
21 talking about Michael Kim.  
22 A. I don't recall anything on Michael  
23 Kim.  
24 Q. Now let me ask you this. Do you  
25 know a person named Michael Kim?

1 B. LEE  
2 A. Yes.  
3 Q. Do you know whether there's any  
4 relationship between Michael Kim and Soyu  
5 Architecture?  
6 A. No, I don't know.  
7 Q. Was Soyu Architecture a customer  
8 of BankAsiana during your tenure?  
9 A. He might have had account with us  
10 but he was the architect who designed the Fort  
11 Lee branch. Mr. Yoo is the one who designed  
12 the branch.  
13 Q. And does Mr. Yoo spell his name  
14 Y-U or Y-O-O?  
15 A. I don't know.  
16 Q. Do you know his first name?  
17 A. I don't know.  
18 Q. You believe that the spelling of  
19 his name is Y-O-U-N-G S-A-N?  
20 A. M.  
21 Q. M.  
22 A. But I'm not sure of the spelling.  
23 But Young Sam. It could be Y-O-O but I'm not  
24 sure of his spelling.  
25 Q. Do you remember --

1 B. LEE  
2 A. Yes. Not personally but he --  
3 he's a customer and also he was a broker, I  
4 believe. Loan broker. He refer loans to us I  
5 believe.  
6 Q. Okay. So is it fair to say that  
7 during your tenure at BankAsiana Michael Kim  
8 was a customer of the bank?  
9 A. Yes.  
10 Q. And is it fair to say that he was  
11 a loan broker who referred potential borrowers  
12 to the bank?  
13 A. Right.  
14 Q. And does a company name Core  
15 Consulting ring a bell to you?  
16 A. Yeah. That was his company I  
17 believe.  
18 Q. Okay. That's Michael Kim's  
19 business?  
20 A. I think so.  
21 Q. And is that the loan broker  
22 business that you referred to?  
23 A. I think so.  
24 Q. And does the firm or company by  
25 the name of Soyu Architecture ring a bell?

1 B. LEE  
2 A. Maybe Yu, Y-U, maybe.  
3 Q. Does the name Silkroad ring a bell  
4 to you?  
5 A. Yes. It was our advertising  
6 company and design -- they used to do the  
7 design for us.  
8 Q. Okay. So Silkroad was a company  
9 that provided design services for the bank  
10 during your tenure?  
11 A. Right. Yeah.  
12 Q. And do you remember the principal  
13 of that company?  
14 A. Mr. Lee. I don't recall his first  
15 name. Mr. Lee.  
16 Q. Was there someone named Cookie at  
17 that company or firm?  
18 A. Yes.  
19 Q. Do you remember the full name of  
20 that person?  
21 A. No. I only know her as Cookie.  
22 Q. And do you recall whether that was  
23 her name or nickname?  
24 A. It might be a Korean name. Cook  
25 Key (phonetic). But I'm not sure. I did ask

1 B. LEE

2 her but I don't remember what her answer was.  
3 I don't think it's a cookie that we know. I  
4 don't think that was the spelling.

5 Q. During your tenure at BankAsiana,  
6 did Michael Kim or his firm or company, Core  
7 Consulting, have any outstanding loans with  
8 the bank?

9 A. I think so. I'm not sure but I  
10 heard that -- I think so. I think he was  
11 involved with one or -- a couple loans. But  
12 I'm not sure exactly what his involvement was  
13 with those companies.

14 Q. Do you recall how many loans --  
15 how many loans either Michael Kim or his  
16 company, Core Consulting, had with the bank  
17 during your tenure?

18 A. I'm not sure.

19 Q. Do you recall the amounts of the  
20 loan or loans that Michael Kim and/or Core  
21 Consulting may have had with the bank?

22 A. I'm not sure. There was this one  
23 loan, couple million dollars. But I don't  
24 know exactly what his involvement was with  
25 that loan if he was the -- part of the owners.

1 B. LEE

2 I'm not really sure.

3 Q. Okay. Do you know whether Mr. Ryu  
4 owed any monies to Michael Kim during your  
5 tenure at the bank?

6 A. Yes. I was aware of it.

7 Q. How were you aware of it? How did  
8 you come to know?

9 A. Because we looked at the employee  
10 accounts. I think the auditors had asked for  
11 copies of the bank statement because they  
12 would look at all the employee loans and  
13 deposits for the audited financial statement.  
14 It's one of the footnotes. And they asked for  
15 bank statement I think for James. They might  
16 have asked for mine, too.

17 But, anyway, and at this point I  
18 gave it to them. You know, I'll print it out  
19 from the system, I'll look at it to make sure  
20 that everything was -- looks okay, and then I  
21 think I saw a big amount so I did research on  
22 it and then I think it was -- I found out  
23 there was a loan. So I just told our CFO that  
24 there was a transaction. And that was the end  
25 of my involvement.

1 B. LEE

2 Q. And the CFO that you're referring  
3 to is Frank Gleason?

4 A. Yes.

5 Q. Who you testified was your direct  
6 boss?

7 A. Yes.

8 Q. At the bank.

9 When you say auditor, are you  
10 referring to an internal auditor of the bank?

11 A. Outside auditors.

12 Q. Outside auditors. Now, you  
13 mentioned that BankAsiana during your tenure  
14 at the bank had outsourced internal audit. So  
15 when you say outside auditor you're not  
16 referring to an outsourced internal auditor.

17 A. No. It's Crowe, C-R-O-W-E, I  
18 believe, and something else.

19 Q. So you're referring to an outside  
20 auditor who's auditing the books and records  
21 of the bank in connection with preparation of  
22 audited financial statements?

23 A. Right.

24 Q. And you mentioned bank statements.  
25 Are you telling us that the auditors had asked

1 B. LEE

2 for Mr. Ryu's bank statements?

3 A. Um-hum. That's a normal course of  
4 audit; that, you know, we'll give them a list  
5 all our employees and directors and their  
6 outstanding balances. And then they will  
7 sometimes pick few as a sample and they ask  
8 for bank statements.

9 Q. Okay. And when you say Mr. Ryu's  
10 bank statements, you're referring to bank  
11 statements of Mr. Ryu for the BankAsiana  
12 account, personal account that Mr. Ryu had.

13 A. Yes. Yes.

14 Q. And is it your testimony that you  
15 learned that upon review of the bank's -- Mr.  
16 Ryu's bank statements that there was a  
17 determination that Mr. Ryu had owed money to  
18 Michael Kim, who was then a customer of the  
19 bank?

20 A. I don't know if he was a customer  
21 at the time. But at least he was a broker I  
22 believe. And there was a -- I don't remember  
23 what I saw in the bank statement, if it was  
24 money going in and the check was from him. Or  
25 the paying back part of the loan that was

1 B. LEE

2 payable to him. I don't remember which side.

3 But, you know, any big  
4 transactions that -- you know, I'll look at  
5 the detail to see everything looks okay. And  
6 then when I saw that -- I don't remember if it  
7 was from the company or from him directly.  
8 But, you know, that caught my attention. So I  
9 let my boss know that that was the -- that was  
10 what I found.

11 Q. Do you recall the approximate  
12 amount of the loan that was reflected in Mr.  
13 Ryu's bank statements from Michael Kim?

14 A. It wasn't a lot. 10,000. 20,000.  
15 Something like that.

16 Q. Other than that, do you recall  
17 anything else that --

18 A. No.

19 Q. -- that you believe was the basis  
20 for your understanding that Mr. Ryu had  
21 owed -- had borrowed money from Michael Kim?

22 A. No.

23 Q. Does the name Cleo Riverside ring  
24 a bell?

25 A. Yeah. That was the nail salon I

1 B. LEE

2 think that I was referring to. It might be --  
3 I don't know if it was couple million dollars  
4 or -- I don't remember the loan amount. But  
5 that was -- that was the nail salon that I  
6 thought Michael Kim was somehow either  
7 involved or referred. But I don't know the  
8 detail.

9 Q. Okay. During your tenure at  
10 BankAsiana, did you learn at some point that  
11 an entity called Cleo Riverside had  
12 borrowed -- had received a loan from the bank,  
13 a business loan?

14 A. Yeah.

15 Q. And do you recall whether that was  
16 an SBA guaranteed loan, business loan?

17 A. I don't remember whether it was  
18 SBA loan or not.

19 Q. And is it your testimony that your  
20 recollection is that the loan amount was  
21 approximately \$2 million?

22 A. I could be wrong. I don't  
23 remember the amount.

24 Q. And is it your testimony Mr.  
25 Michael Kim was the principal of Cleo

1 B. LEE

2 Riverside?

3 A. I don't know if he was a  
4 principal. I heard that he was somehow  
5 involved. I don't know if he referred that  
6 loan to us or if he was the part owner, you  
7 know, hundred percent owner. I'm not sure.

8 Q. Why do you remember that  
9 particular loan?

10 A. I think that might have been a bad  
11 loan.

12 Q. When you say a bad loan, you're  
13 saying --

14 A. Not a pool loan. I don't remember  
15 if it was -- we charged off on that one or --  
16 at least there was at one time I think it was  
17 a non-pool loan. But I'm not hundred percent  
18 sure.

19 Q. But when you say bad loan, you're  
20 referring to the fact that there was some sort  
21 of an event of default?

22 A. Right. The payment was not made  
23 on timely basis.

24 Q. And do you recall whether the bank  
25 recovered anything on that loan?

1 B. LEE

2 A. I don't remember. There might  
3 have been more than one -- one account. But I  
4 don't -- I'm not sure.

5 Q. Is there anything else you  
6 remember about the Cleo Riverside loan?

7 A. No. I don't remember anything in  
8 details. I know the name. And that I think  
9 it was a bad loan. Or a non-recall loan.

10 Q. Now that we've talked about  
11 Michael Kim and Cleo Riverside and Core  
12 Consulting, does that discussion refresh your  
13 recollection at all about what if anything  
14 Karen Chon may have said about Michael Kim at  
15 the meeting on January 23rd, 2014?

16 A. No. I don't recall anything.

17 Q. Okay. Now, going back to your  
18 meeting with Lisa Pai -- and I believe that  
19 was in February of 2014, correct?

20 A. I don't remember when it was. I  
21 know it was very cold day.

22 Q. Right. But it was after your  
23 meeting with Karen Chon on January 23rd, 2014.

24 A. Right. Right, right.

25 Q. At that meeting do you recall

1 B. LEE  
 2 telling Ms. Pai that Mr. Ryu had taken a work  
 3 laptop?  
 4 A. I don't know if it was a laptop or  
 5 computer. Yeah.  
 6 Q. What do you remember telling Ms.  
 7 Pai in that meeting?  
 8 A. I don't remember.  
 9 Q. Let me withdraw that question.  
 10 Let me ask you this way.  
 11 Is it fair to say that you  
 12 discussed with Ms. Pai the fact that Mr. Ryu  
 13 had taken either a laptop or a computer?  
 14 A. Yes.  
 15 Q. What do you remember about that?  
 16 A. Actually, I don't -- I don't  
 17 remember too much about it. But I know that  
 18 there was a big issue with the computers  
 19 because they were looking for computer --  
 20 yeah, laptop, too, because I think he returned  
 21 it and it was sent to LA. But I don't  
 22 remember details. Sorry.  
 23 Q. Okay. During your tenure at  
 24 either BankAsiana or Wilshire Bank do you have  
 25 any recollection of the bank -- senior

1 B. LEE  
 2 management at the bank, allowing or permitting  
 3 a bank employee to take a bank computer or a  
 4 bank laptop or any bank equipment home with  
 5 them for their own personal use?  
 6 A. Well, everything is for the  
 7 business purposes and they could take it home  
 8 because if they are working at home. But I  
 9 don't think -- I don't -- I'm not aware that  
 10 they are to be used as a personal use at home.  
 11 Q. Do you have any recollection of  
 12 anyone being allowed to take bank property  
 13 home with them and just keep it for their own  
 14 personal use and benefit?  
 15 A. Well, Frank Gleason had a laptop  
 16 that he took. And I think he returned it  
 17 later on.  
 18 Q. And do you recall Frank Gleason  
 19 getting a loan from BankAsiana in the amount  
 20 of \$5,000?  
 21 A. I know that on our books there was  
 22 a receivable set up for \$5,000 since the very  
 23 beginning.  
 24 Q. And do you know anything about  
 25 that?

1 B. LEE  
 2 A. I heard that when he was hired he  
 3 had some money owed. I don't know if it was a  
 4 credit card or whatever. So the company lend  
 5 money to him. Or they paid it.  
 6 Q. When you say they paid it who are  
 7 you referring to?  
 8 A. I mean the BankAsiana paid it but  
 9 it was set up as a -- we had it as a  
 10 receivable so I'm assuming that it was a loan.  
 11 Q. And do you ever recall Mr. Ryu  
 12 telling Mr. Gleason that Mr. Gleason did not  
 13 have to pay back that loan to BankAsiana?  
 14 A. No.  
 15 Q. You don't recall that.  
 16 A. Un-huh. Because I was trying to  
 17 get the money from Mr. Gleason. So I think he  
 18 was talking to Lisa Lee.  
 19 Q. Okay. I think I'm almost done. I  
 20 just want to go back right now to the employee  
 21 loan program that we talked about earlier.  
 22 A. Okay.  
 23 Q. Do you have any recollection of  
 24 any discussions with anyone at the bank about  
 25 the fact that Mr. Hur, the president and CEO

1 B. LEE  
 2 of BankAsiana, had asked Irene Lee, a bank  
 3 employee, to take an employee loan and then  
 4 lend that money to Mr. Ryu? Do you have any  
 5 recollection about that?  
 6 A. Yes. I heard that.  
 7 Q. And do you remember who told you  
 8 that?  
 9 A. Jessica Kim.  
 10 Q. Could you tell us what you  
 11 remember she told you about that.  
 12 A. That's exactly what she told me.  
 13 That Mr. Hur asked Irene to take out the  
 14 money, personal loan, and lend it to James.  
 15 Q. Did you have any discussions with  
 16 Mr. Hur about that?  
 17 A. No.  
 18 Q. Did you have any discussions with  
 19 Mr. Ryu about that?  
 20 A. No.  
 21 Q. Did you have any discussions with  
 22 anyone other than Jessica Kim at the bank  
 23 about that?  
 24 A. No. But I think that came up in  
 25 the second meeting. I don't know the details



1 B. LEE  
2 but that was discussed.  
3 Q. Do you remember the circumstances  
4 in which Jessica Kim told you this?  
5 A. I don't recall but she -- she just  
6 mentioned that to me that that's what  
7 happened. And that Irene said no.  
8 Q. And did you have any discussions  
9 with Irene Lee about that?  
10 A. No. I never asked her.  
11 Q. And do you recall why Mr. Hur had  
12 asked Irene Lee to do that?  
13 A. I don't know. I don't remember.  
14 Only remember that -- Jessica telling me that  
15 Mr. Hur had asked Irene and I don't know the  
16 circumstances.  
17 Q. Do you recall any discussions  
18 about the fact that Mr. Hur had made his  
19 request to Irene Lee because of Mr. Ryu's  
20 financial difficulties?  
21 A. Well, I'm assuming that if he  
22 needs a loan that he is having difficulties.  
23 And I don't really know exactly when that  
24 happened so I don't know if that was the time  
25 that he was asking the employees for a few

1 B. LEE  
2 monthly loan repayments that Mr. Ryu was to  
3 make to John Hancock?  
4 A. I must have because every time  
5 when I needed to get information from James, I  
6 used to do it through Irene I think.  
7 Q. Is it fair to say that -- was it  
8 your understanding that Irene Lee was making  
9 the remaining loan repayments on behalf of Mr.  
10 Ryu to John Hancock after Mr. Ryu left the  
11 bank?  
12 A. I don't know.  
13 (Discussion held off the record.)  
14 Q. Ms. Lee, I'm showing you  
15 Plaintiff's Deposition Exhibit 1 from Irene  
16 Lee's deposition and on the bottom of this  
17 exhibit, is that a copy of your e-mail to  
18 Irene Lee from October 30, 2013?  
19 A. Yes.  
20 Q. And do you see a reference to  
21 401(k) loan payment due for Mr. Ryu?  
22 A. Yes.  
23 Q. And there's an amount indicated.  
24 A. Right.  
25 Q. \$549.22 per month.

1 B. LEE  
2 thousand dollars. But I don't know if it was  
3 the same time. But I just assumed that, you  
4 know, if -- you know, if he need money -- if  
5 he doesn't need money he wouldn't ask for it.  
6 But...  
7 Q. During your tenure at BankAsiana,  
8 were you aware that Mr. Ryu had taken a loan  
9 against his 401(k) savings?  
10 A. Yeah, I think he did because I'm  
11 the one who will administer that, yeah.  
12 Q. And do you recall that the 401(k)  
13 plan administrator was John Hancock?  
14 A. Yes. John Hancock was the...  
15 Q. And do you recall after Mr. Ryu  
16 left the employ of Wilshire Bank you had  
17 communications, e-mail communication with  
18 Irene Lee concerning Mr. Ryu's repayment of  
19 that 401(k) loan?  
20 A. I don't recall -- I don't recall  
21 all the details. But I know that when you  
22 leave the bank I think they have to pay back  
23 the loan I think.  
24 Q. And do you recall having e-mail  
25 correspondence with Irene Lee concerning the

1 B. LEE  
2 A. Right.  
3 Q. Could you just briefly tell us  
4 what you remember about that e-mail.  
5 A. I was asking I guess -- she might  
6 have come in and asked me how much the loan  
7 payment was. I don't know. Because I  
8 wouldn't just send it to Irene, the amount.  
9 So there must have been something  
10 bad happen before this e-mail. So I must --  
11 she or somebody must have asked for the  
12 amount. So I guess I was responding to that  
13 request, how much the loan amount is. And  
14 then I guess Irene was taking care of this one  
15 for James.  
16 Q. Okay. And do you know why Irene  
17 Lee was taking care of the loan repayment for  
18 Mr. Ryu?  
19 A. No, I don't.  
20 Q. And do you know how she was taking  
21 care of the loan repayment for Mr. Ryu?  
22 A. I don't recall how the payment was  
23 made. I assume that probably was a check  
24 payment but I don't recall.  
25 Q. Do you recall having any

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discussions with Irene Lee about what she was doing on behalf of Mr. Ryu?

A. I don't remember. But she must have asked for the information or -- I don't know if I -- I don't remember but there has to be something for me to send an e-mail to Irene, somebody must have requested that information.

Q. Are you aware of any reason why Mr. Ryu could not have made the loan repayment directly to John Hancock?

A. I think all the loan payments we used to -- I used to get it. And then I would submit it to the John Hancock. That's what we used to do before the merger. I don't remember after merger if there was -- you know, if they could send it directly to them. Because this is right after the merger.

Probably the first one, first pay -- probably the first payment after the merger. So --

Q. So if you were collecting all the checks that represented loan repayments on the 401(k) loans for employees, is there any reason why -- is there anything that would

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have prevented Mr. Ryu from sending a check directly to you to repay that loan?

A. No. There's nothing preventing that.

Q. Was there any particular reason why Mr. Ryu had to go through Irene Lee in order to make the loan repayments?

A. There isn't any reason. They just chose to do it -- handle it that way. So it was between James and Irene. Probably because Irene was, you know, at the same location maybe James asked her. But I don't know. That's between them.

Q. You don't have an understanding as to why Irene Lee was taking care of loan repayments for Mr. Ryu.

A. No.

Q. I'm showing you what's been marked as Plaintiff's Exhibit 10 that was marked at Irene Lee's deposition two days ago. I'm directing your attention to first the e-mail on the bottom.

Is that a copy of -- is that a copy of your e-mail to Mr. Ryu from December

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B. LEE

10, 2013?

A. Yes.

Q. What do you remember about this e-mail?

A. That he wanted to probably pay back the loan so we asked for I guess the information.

Q. Do you remember anything else?

A. No. But I think the 401(k) payments for ex-employees or the 401(k) loans had to pay off I think. That's why probably.

Q. I'm sorry?

A. The -- any loans against the 401(k) after they leave the company I think they had to be paid off. So he was trying to -- but -- for whatever reason, you know, I think he wanted to pay off the loan.

Q. All right. Is it fair to say that with respect to Mr. Ryu's 401(k) loan repayment --

A. Right.

Q. -- Irene Lee is the one who delivered the checks to you to make that

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B. LEE

repayment?

A. For -- this one is not for the repayment. This is related to repayment. This is just a monthly payment. A monthly repayment. But this is to pay off the loan, yeah. Repayment. But this is monthly repayment. This is to pay off the loan I think.

Q. All right. So with respect to Plaintiff's Exhibit 1 marked at Irene Lee's deposition, you're referring to the amount indicated there in your e-mail of October 30, 2013 and you're indicating that in that e-mail you were indicating the monthly amount that was due.

A. Yes.

Q. And referring to Plaintiff's Exhibit 10 marked at Irene Lee's deposition, you're indicating that in your e-mail to Mr. Ryu from December 10th, 2013, you were indicating, among other things, the loan balance amount.

A. Right. To pay off the loan.

Q. For purposes of a payoff of the

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1 B. LEE

2 loan.

3 A. Yes. Must be. Because it says  
4 proceed below for the information you have  
5 requested. Original loan amount. Loan  
6 balance as of -- we got the last payment.  
7 Last payment.

8 Q. Let me go back to my earlier  
9 question, Ms. Lee. My question was do you  
10 recall receiving checks from Irene Lee for Mr.  
11 Ryu's repayment of the 401(k) loan?

12 A. I don't remember. I don't  
13 recollect, you know, getting the payment. But  
14 based on this e-mail I must have.

15 Q. So you have no recollection as to  
16 whose check you were receiving from Irene Lee  
17 in terms of Mr. Ryu's repayment of this 401(k)  
18 loan.

19 A. No.

20 (Discussion held off the record.)

21 MR. YI: Just give us one second,  
22 please. We're almost done.

23 (Pause on the record.)

24 BY MR. YI:

25 Q. Ms. Lee, we talked earlier about

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1 B. LEE

2 Michael Kim who was a customer of the bank  
3 during your tenure at BankAsiana. Do you  
4 recall any discussions about Michael Kim's  
5 account or accounts at BankAsiana being  
6 overdrawn?

7 A. No.

8 Q. So you don't have any recollection  
9 about any discussion at the bank about Michael  
10 Kim's bank account or accounts having a  
11 negative balance?

12 A. No.

13 Q. Do you know a woman by the name of  
14 Eunhee Pak?

15 A. Um-hum. Yes.

16 Q. Was she an employee of BankAsiana?

17 A. Yes.

18 Q. Was she an employee of BankAsiana  
19 during your tenure at the bank?

20 A. Yes.

21 Q. And do you recall approximate time  
22 frame when she left the bank? Left the employ  
23 of the bank?

24 A. I don't remember. 20-maybe-12.

25 Q. Okay.

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1 B. LEE

2 A. I don't remember. But, you know,  
3 it was in the wintertime.

4 Q. Is it fair to say that Ms. Pak  
5 left BankAsiana's employ prior to the merger  
6 with the Wilshire Bank?

7 A. Yes.

8 Q. And is it fair to say that Ms. Pak  
9 worked for BankAsiana during your tenure at  
10 the bank and Mr. Ryu's tenure at the bank?

11 A. Yes.

12 Q. Do you recall what her title or  
13 position was?

14 A. She was assistant to James.

15 Q. Do you remember any particular  
16 formal position or title that she had at the  
17 bank? Was it just assistant to the COO?

18 A. She was assistant but I don't  
19 remember her title.

20 Q. And do you remember the  
21 circumstances under which she left the bank's  
22 employ in or about 2012?

23 A. I think Mr. Hur asked -- I don't  
24 know if she resigned or if she was asked to  
25 resign by Mr. Hur. I'm not sure.

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1 B. LEE

2 Q. Do you remember anything about the  
3 circumstances under which she left the bank?  
4 I'm not asking you to guess or speculate. If  
5 you know. If you remember.

6 A. I think she was a part -- maybe  
7 her husband was a partner at Kudo Bean.  
8 That's probably why, because he was a partner  
9 also. I'm not -- I'm not sure. Because they  
10 were working at the café together.

11 Q. So is it your testimony your  
12 understanding is that Ms. Pak's husband was  
13 business partners with Mr. Ryu in the coffee  
14 shop business that you knew previously as Kudo  
15 Beans?

16 A. Yes. I don't know if he was  
17 partner, but they were working together. And  
18 somehow they were related -- they had a  
19 business relationship with that hair salon  
20 also. But I don't know the detail.

21 Q. And when you say they had some  
22 sort of business relationship also with the  
23 hair salon --

24 A. James and the ex-employee's  
25 husband.

1 B. LEE  
 2 Q. Ms. Pak's husband.  
 3 A. Right.  
 4 Q. Okay. Let me go back to what I  
 5 had asked you earlier. My question was do you  
 6 remember anything about the circumstances  
 7 under which Ms. Pak left the bank's  
 8 employment?  
 9 A. Other than what I just told you --  
 10 Q. Other than that.  
 11 A. No, I don't recall anything. No,  
 12 it's not that I don't recall anything. I'm  
 13 not aware of anything.  
 14 Q. Were there -- did you hear any  
 15 discussions within the bank about whether Ms.  
 16 Pak had a relationship with Mr. Ryu other  
 17 than -- meaning outside the bank? A personal  
 18 relationship outside the bank?  
 19 A. There was a rumor.  
 20 Q. What do you recall being  
 21 discussed?  
 22 A. That they're very close.  
 23 Q. What else do you remember?  
 24 A. And that they had a business  
 25 relationship also.

1 B. LEE  
 2 Q. Did he ever tell you that he was  
 3 having a romantic relationship with her? That  
 4 he had a romantic relationship with her?  
 5 A. I'm not sure if he said that or if  
 6 he liked her a lot. That he was in love with  
 7 her.  
 8 Q. Is that what he told you?  
 9 A. Yes. But that was after --  
 10 afterward.  
 11 Q. Other than him telling you -- Mr.  
 12 Ryu telling you that he was in love with Ms.  
 13 Pak, did he ever tell you that he was having  
 14 an extramarital affair with Ms. Pak?  
 15 A. He didn't say it that way.  
 16 Q. In what way did he --  
 17 A. He said that he loved her.  
 18 Q. Was there anything Mr. Ryu told  
 19 you that led you to believe that he was having  
 20 an extramarital affair with Ms. Pak?  
 21 MR. HARVEY: Objection. This is a  
 22 ridiculous line of questions. You've  
 23 asked and answered it -- the witness has  
 24 answered your question. You're beating a  
 25 dead horse.

1 B. LEE  
 2 Q. Anything else? Do you remember  
 3 anything else?  
 4 A. No.  
 5 Q. Did you ever have any discussions  
 6 with Ms. Pak about the rumors that you just  
 7 mentioned?  
 8 A. No.  
 9 Q. Did you have any discussions with  
 10 Mr. Ryu at any time about the rumors?  
 11 A. I never asked him. Later on he  
 12 mentioned it. You know, but I never asked  
 13 him.  
 14 Q. When you say later on he mentioned  
 15 it, are you referring to Mr. Ryu?  
 16 A. Yes.  
 17 Q. What did he tell you?  
 18 A. That he liked her.  
 19 Q. Did he say anything else?  
 20 A. He wanted to help her with the  
 21 business because her husband was having  
 22 problems with the business so he wanted to  
 23 help.  
 24 Q. Did he tell you anything else?  
 25 A. No.

1 B. LEE  
 2 Q. You can answer if you can.  
 3 A. What was the question again?  
 4 MR. YI: I'll have it read back.  
 5 (Record read.)  
 6 A. Well, there wasn't anything that  
 7 he said that made me believe that he was. But  
 8 he said that he was in love with her. So, you  
 9 know...  
 10 MR. YI: All right. Thank you. I  
 11 have no more questions at this time.  
 12 MR. HARVEY: I have no questions.  
 13 Thanks for your time today.  
 14 (Time Noted: 2:00 p.m.)  
 15  
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 25

BO-YOUNG LEE

Subscribed and sworn to before me  
 this \_\_\_\_ day of \_\_\_\_\_, 2016.

CERTIFICATE  
STATE OF NEW YORK )

: ss.

COUNTY OF NEW YORK )

I, FRANCIS X. FREDERICK, a  
Notary Public within and for the State  
of New York, do hereby certify:

That BO-YOUNG LEE, the witness  
whose deposition is hereinbefore set  
forth, was duly sworn by me and that  
such deposition is a true record of  
the testimony given by the witness.

I further certify that I am not  
related to any of the parties to this  
action by blood or marriage, and that  
I am in no way interested in the  
outcome of this matter.

IN WITNESS WHEREOF, I have  
hereunto set my hand this 25th day of  
October, 2016.

FRANCIS X. FREDERICK

----- I N D E X -----  
WITNESS EXAMINATION BY PAGE  
BO-YOUNG LEE MR. HARVEY 5  
MR. YI 69

----- INFORMATION REQUESTS -----  
DIRECTIONS: NONE  
RULINGS: NONE  
TO BE FURNISHED: NONE  
REQUESTS: NONE  
MOTIONS: NONE

----- EXHIBITS -----  
RYU FOR ID.

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NAME OF CASE: BANK OF HOPE v. CHON  
DATE OF DEPOSITION: OCTOBER 13, 2016  
NAME OF WITNESS: BO-YOUNG LEE

Reason codes:

1. To clarify the record.
2. To conform to the facts.
3. To correct transcription errors.

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BO-YOUNG LEE